



## CONFIDENCE PETROLEUM INDIA LTD.

REG OFF: B-13, Prabhu Kripa Society, Nanda Patkar Road, Near Telephone Exchange, Vile Parle (East), Mumbai-400057

Corp. Off: 404, Satyam Apartment, 8 Wardha Road, Nagpur, Maharashtra 440012  
Ph. 0712-6606492, Fax-6612083

Email: [cs@confidencegroup.co](mailto:cs@confidencegroup.co)

website: [www.confidencegroup.co](http://www.confidencegroup.co)

CIN: L40200MH1994PLC079766

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To, Date 04/09/2020

<b>National Stock Exchange of India Limited</b> Listing Department, Exchange Plaza, Bandra Kurla Complex, Bandra (E) Mumbai-400051	<b>The Bombay Stock Exchange,</b> Department of Corporate Services 25 <sup>th</sup> Floor, P.J. Towers, Dalal Street, Mumbai- 400001
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Subject: Annual Report for the Financial Year 2019-20

**Dear Sir/Madam**

Please find enclosed herewith the 26th Annual Report including Annual Accounts of the company for the Financial Year 2019-20. The Annual Report is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrars and Transfer Agent/Depositories.

The Annual Report is available on the website of the Company at [www.confidencegroup.co](http://www.confidencegroup.co)

Kindly consider this as due compliance of Regulation 34(1) and other applicable provisions, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and acknowledge the receipt.

Thanking You,  
Yours truly,

**For Confidence Petroleum India Limited**

Sd/-  
**Prity Bhabhra**  
Company Secretary



MOVING  
WITH  
**Confidence**

# ANNUAL REPORT 2019-20



**ENTER THE GREEN ZONE**

**CONFIDENCE  
PETROLEUM  
INDIA LIMITED**

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# CORPORATE INFORMATION

## CONFIDENCE PETROLEUM INDIA LIMITED

PARTICULARS	DETAILS
CIN	L40200MH1994PLC079766
DATE OF INCORPORATION	21/07/1994
REGISTRATION NO.	11-079766
REGISTERED OFFICE ADDRESS	701, Shivni Palaza Premises Chs Limited, Plot No. 79 Marol Industrial Estate, Near Mahalaxmi Hotel, Andheri East, Mumabi, Maharashtra -400059 w.e.f B-13, Prabhu Kripa Society, Nanda Patkar Road, Near Telephone Exchange, Vile Parle (East), Mumbai-400057
CORPORATE OFFICE ADDRESS	404, Satyam Apartment, 8 Wardha Road, Dhantoli, Nagpur, MH – 440012.
WEBSITE	<a href="http://www.confidencegroup.co">www.confidencegroup.co</a>
E- MAIL ID	<a href="mailto:cs@confidencegroup.co">cs@confidencegroup.co</a>
TEL . NO.	(0712)-3250318/ 3250319
FAX	(0712) – 6612083/6631977
BOARD OF DIRECTORS	Mr. Nitin Khara :Chairman-Managing Director & CEO
	Mr. Elesh Khara :Executive Director & CFO
	Mr. Sumant Sutaria: Non Executive-Independent Director
	Mrs. Mansi Deogirkar : Non Executive-Independent Director
	Mr. Vaibhav Pradeep Dedhia: Non Executive-Independent Director
	Mr. Rajkumar Varma:Non Executive-Independent Director
COMPANY SECRETARY & COMPLIANCE OFFICER	Ms. Prity Bhabhra
AUDIT COMMITTEE	Mr. Vaibhav Pradeep Dedhia- Chairman
	Mr. Sumant Sutaria- Member
	Mr. Elesh Khara – Member
NOMINATION & REMUNERATION COMMITTEE	Mr. Sumant Sutaria- Chairman
	Mrs. Mansi Deogirkar- Member
	Mr. Vaibhav Pradeep Dedhia - Member
STAKEHOLDERS' RELATIONSHIP COMMITTEE	Mr. Vaibhav Pradeep Dedhia- Chairman
	Mrs. Mansi Deogirkar – Member
	Mr. Nitin Khara – Member
MANAGEMENT COMMITTEE	Mr. Nitin Khara – Chairman
	Mr. Elesh Khara – Member
	Mr. Vaibhav Pradeep Dedhia- Member
CSR COMMITTEE	Mr. Nitin Khara – Chairman
	Mr. Elesh Khara – Member
	Mrs. Mansi Deogirkar – Member

<b>STATUTORY AUDITORS</b>	M/s. Akhil Rathi & Co. Nagpur M/s. Ganesh Adukia & Associates, Mumbai
<b>COST AUDITOR</b>	M/s. Narendra Peshne & Associates, Nagpur
<b>BANKERS</b>	ICICI BANK LIMITED CENTRAL BANK OF INDIA AXIS BANK LIMITED
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	Adroit Corporate Services Pvt.Ltd. 17-20, Jafferbhoy Ind. Estate, 1 <sup>st</sup> 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

ANNUAL REPORT



## **CMD's Message**



**Confidence Petroleum India Ltd.**

# Chairman's Speech

## **Chairman Speech**

The world around us is turbulent since past few months. The pandemic has changed in an unprecedented way the professional and personal lives of each & everyone the world over. I hope and pray that each of you, your families and the society around you remains healthy and safe. I also take a moment's silence to those who sacrificed their lives in our fight against the pandemic.

As the pandemic spread and lockdown announced subsequently, although our key priority was to ensure health and well-being of our employees and the end users, we stood shoulder to shoulder with our stakeholders to ensure business continuity and nullify the disruption in the supply chain.

The lockdown tested our business model, the resilience of our team and adaptability of our delivery model too. We responded to the challenge with agility and withstood the shocks or disruptions.

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

India continued to be recognized amongst the fastest growing economies globally, even during these testing times of disruption in the global economic activities. Thanks to the efforts of Indian Government, the Governmental agencies and the focus on inclusive growth. The short term monetary and fiscal policy is expected to help Indian businesses roll back on track at a faster pace.

LPG was the only fuel which continued to grow during the lockdown. Thanks to penetration of fuel to the lower strata of society. Further, the downfall in global LPG prices helped increasing adoption of the fuel for industrial purposes as substitute to fossil fuels.

The energy industry is at an inflection point. Oil prices and consequently LPG prices continued to remain low. The continuing policy amendments to adopt clean energy by various states and the Central Government further increased the industrial applications of the fuel. India still has a long way to go with Air Quality Index ratings and continue to be one of the most air polluted countries in the world.

The pandemic has provided unprecedented opportunities for positioning of LPG as a safe, non-pollutant and cheaper fuel, with many industries across the country converting their existing thermal/oil based industries to LPG. These investments by manufacturers are expected to increase in the next 2 to 3 years.

## **Performance and Strategies**

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

The Company has achieved consolidated turnover of Rs. 1077.77 Crs up from Rs. 873.34 Crs in FY 2018-19. The Company has been able to achieve this growth in turnover despite decrease in prices by around 10 to 20 % in various segments. The Operating Profit has increased from Rs. 124.58 Crs to Rs. 130.90 Crs. However profit after tax has declined because huge surge in depreciation during the year. Owing to various expansion programmes undertaken by company particularly in ALDS segment. Though Company has in current year too also completed various projects however commercial operations were pending due delay in procuring licenses. The company is expected to complete this process in near future and expected to grow miles.

The COVID -19 PANDEMIC which has hit business worldwide has also hit our business we have made necessary steps to contain its ill effects in business like re-negotiation of lease rentals / rationalization of salaries and overheads.

The company has been able to achieve 50 % turnover in current period and is expected to achieve 75 % of turnover looking after performance of previous year in current scenario however future is still unpredictable.

The Company met its targets in 2019-20, which is largely due to our vertically integrated business models across LPG space. However, the unanticipated nationwide lockdown did take a toll on the inventory, which we are sure to cover in the near future. Over the years, we benefitted from economies, improved cost efficiencies through a judicious management of inventories, managed cash flows, focus on value-added products; adding new territories and aligning long-term business strategies with diverse stakeholder expectations.

The year 2019-20 had set momentum for CPIL to achieve the strategic and operational goals set for future years. During the nationwide lockdown, which disrupted operations of a majority of our clients, we worked alongside them and kept a safe and secured supply chain.

Your Company established a central war room to deal with the disruptions and we ensured, we speak to each of our major customers. On the Auto LPG front, we started the much applauded free sanitization scheme at over 150+ locations across the country. While we continued to take care of our clients, we were rewarded, with Go Gas becoming a choice of Auto LPG fuel retailer at major locations.

Our future lies in our strategy. We had, we have and we will always continue to stand along with our clients and do our part to help them manage fuel costs and ensure competitiveness.

Going in future, we see significant gains from our 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.

During the lockdown, we continued to establish our dealer network and have received overwhelming response, signing up with entrepreneurs who wanted to invest in a recession proof business of LPG.

Auto LPG, as a transport fuel, continues to grow and in 2020. Our previous discussions with various policymakers of the State and Central Government, for introducing Auto LPG in the Northern States have gained momentum.

Cheaper prices of Auto LPG and lower fuel switching costs, have seen overwhelming response in various cities for shift of vehicles from Petrol to Auto LPG.

As a Company, we are increasingly agile and readily adapting to the newer realities brought in by the Covid-19 pandemic. We are keenly looking at our downstream activities within the oil and gas space to secure our supplies of LPG at competitive rates.

### **Expansion Plan**

The pandemic has altered our expansion plans; we have opened up dealerships for Auto LPG Dispensing Stations and negotiating with other private bottlers, for co- bottling facilities. The theme of the year will be to stay agile and expand the retail network at a higher pace.

### **Our People – Driving The Momentum**

While we initiated the performance management plan as on track, the pandemic further pushed our digitalization at a faster pace. Our organizational values helped us tide over the pandemic to gain the accelerated momentum. We are more agile and have new talents to further grow and improve our digital footprint.

Our spirit of professionalism is the key quality at a time of growth inflection. We are determined to recognize the talent in the Company's businesses and to support development of people from early in their careers, not just to top-level succession planning but focusing on divisional and departmental leadership.

Your Company takes pride in growth of its employees and their families, who helped the Company and the clients to tide over the disruption caused by the Covid-19 pandemic.

### **Closing Thoughts**



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

I would like to end by expressing my sincere thanks to all our talented and committed colleagues for their unstinting hard work and dedication. 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 immense contribution to our success.

While we remain focused on the task in hand, we are committed to delivering our strategies and to drive profitability within the business, building upon the successes we achieved in 2019-20. We reaffirm our commitment to nation building by curbing air pollution and moving towards sustainable development.

Best Wishes,

Nitin Khara

ENVIRONMENTAL SUSTAINABILITY  
ENVIRONMENTAL SUSTAINABILITY

# NOTICE OF TWENTY SIXTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY SIXTH (26TH) ANNUAL GENERAL MEETING OF THE MEMBERS OF CONFIDENCE PETROLEUM INDIA LIMITED (CIN: L40200MH1994PLC079766) WILL BE HELD ON TUESDAY, THE 29<sup>TH</sup> DAY OF SEPTEMBER, 2020 AT 01.00 P.M. THROUGH VIDEO CONFERENCING ('VC')/OTHER AUDIO VISUAL MEANS ('OAVM') FACILITY TO TRANSACT THE FOLLOWING BUSINESS:-

## ORDINARY BUSINESS:

### Item No. 1 – Adoption of Financial Statements and Reports of the Auditors & Directors thereon for the Financial Year 2019-20

To receive, consider and adopt:

- a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2020 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<sup>st</sup> March, 2020 and the Report of the Auditors thereon.

### Item No. 2 – Appointment of Mr. Elesh Khara (DIN-01765620) as Director liable to retire 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 Remuneration Payable to Cost Auditors.

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

**“RESOLVED THAT**, pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, **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 2020-21 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 Mrs. Mansi Deogirkar (DIN: 07269038) as an Independent Director. (Woman 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, Mrs. **Mansi Deogirkar (DIN:07269038)** who was appointed as an Independent Director at the Twenty First Annual General Meeting of the Company and who holds office up to 29<sup>th</sup> September, 2020 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 there under 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<sup>th</sup> September, 2020 to 29<sup>th</sup> September, 2025.”

**“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.”

**Place: Nagpur**  
**Dated: 02/09/2020**

**By the order of Board**  
**Confidence Petroleum India Limited**

**Prity Bhabhra**  
**(Company Secretary)**

**NOTES:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as 'MCA Circulars') and SEBI circular dated May 12, 2020 permitted holding of the Annual General Meeting ('AGM') through VC/ OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') and MCA Circulars, the AGM of the Company is being conducted through VC/ OAVM hereinafter called as 'E-AGM'.

2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/ OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

3. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

4. The facility of joining the e-AGM through VC/ OAVM will be opened 15 minutes before and will be open up to 15 minutes after the scheduled start time of the e-AGM, i.e., from 12.45 p.m. to 01.15 p.m. and will be available for on a first come first-served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters & promoter group, institutional investors, directors, senior managerial personnel, auditors, etc.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM.

For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.confidencegroup.co](http://www.confidencegroup.co). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

7. Statement pursuant to section 102 of the Act forms a part of this Notice. The Board of Directors, at their meeting held on 02<sup>nd</sup> September, 2020 has decided that the special business set out under item nos. 3 to 4, be transacted at the Twenty Sixth (26th) AGM of the Company.

8. AGM has been convened through VC/ OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

9. Brief details of the directors, who are being appointed/re-appointed, are annexed hereto as per requirements of regulation 36(3) of the SEBI Listing Regulations and as per provisions of the Act.

10. Pursuant to the provisions of the Section 91 of the Act, the Register of Members and Share Transfer Books of the Company will remain closed from 23<sup>rd</sup> September 2020 to 29<sup>th</sup> September, 2020 (both days are inclusive).

11. The Securities 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's Registrar and Share Transfer Agents, M/s. Adroit Corporate Services Private Limited, Mumbai for share transfer process.

12. Pursuant to the provisions of Section 124 & 125 of the Companies Act, 2013 the amount of dividend not en-cashed or claimed within 7(seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The company does not have any unclaimed dividend which will be required to transfer in IEPF.

13. In terms of sections 101 and 136 of the Act, read with the rules made there under, the listed companies may send the notice of AGM and the annual report, including financial statements, Board's report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI Circular dated May 12, 2020, Notice of Twenty Sixth (26th) AGM along with the Annual Report for F.Y. 2020 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ depositories. Members may note that the Notice and Annual Report for F.Y. 2020 will also be available on the Company's website and the website of the stock exchanges.

14. Registrar and Share Transfer Agent:

M/s. Adroit Corporate Services Private Limited, 1st Floor, 19/20, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Mumbai - 400059 (Maharashtra) is Registrar and Share Transfer Agents. Therefore Shareholders of the Company are advised to send all future documents/ correspondence such as request for Dematerialization of Shares, Transfers of Shares, Change of Address, Change of Bank Mandate/ ECS and



other Share related matters to M/s. Adroit Corporate Services Private Limited at above mentioned address only.

**15. Change of Information/ Bank Mandate:**

The members/ shareholders holding shares in physical form are requested to notify/ update any change in their address, Bank Mandate e. g. Name of bank, account number, branch address and ECS number to Registrar and Share Transfer Agent and/ or the Company or to their respective Depository Participants (DP), if the shares are held in electronic form.

16. Since the AGM will be held through “VC”/ “OAVM”, the Route Map is not annexed in this Notice.

**17. INSTRUCTIONS FOR REMOTE E-VOTING AND JOINING THE E-AGM ARE AS FOLLOW:**

**(1) Voting Through Electronic Means:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by NSDL.

(2) The remote e-voting period begins on **Saturday, 26th September, 2020 at 9.00 A.M. IST** and ends on **Monday, 28th September, 2020 at 5.00 P.M. IST**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Equity shareholders of the Company holding shares either in physical form or in dematerialized form as on the cutoff date of 22<sup>nd</sup> September, 2020, may cast their vote electronically.

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

Details on Step 1 are mentioned below:

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

**5. Your password details are given below:**

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

**6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:**

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

**7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.**

**8. Now, you will have to click on "Login" button.**

**9. After you click on the "Login" button, Home page of e-Voting will open.**

Details on Step 2 is given below:

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs.siddharth@yahoo.in](mailto:cs.siddharth@yahoo.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@confidencegroup.co](mailto:cs@confidencegroup.co) .

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@confidencegroup.co](mailto:cs@confidencegroup.co).

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/ OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/ OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/ OAVM will be available in shareholder/ members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Shareholders, who would like to express their views / have questions, may send their questions in advance mentioning their name demat account number/ folio number, email id, mobile number at [pritybhabhra@confidencegroup.co](mailto:pritybhabhra@confidencegroup.co). The same will be replied by the company suitably.
6. AGM Questions prior to e-AGM: Members who would like to express their views or ask questions during the e-AGM may write to us at our E-mail Id i. e. [pritybhabhra@confidencegroup.co](mailto:pritybhabhra@confidencegroup.co). This facility shall commence at 09:00 a.m. on September 24, 2020 and will be available till 05:00 p.m. on September 26, 2020. Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the e-AGM.

Place: Nagpur  
Dated: 02/09/2020

**By the order of Board  
Confidence Petroleum India Limited**

**Prity Bhabhra  
(Company Secretary)**



## 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 02nd September, 2020, on recommendation of the Audit Committee, approved the appointment of **M/s. Narendra Peshne & Associates**, Cost Accountants, Nagpur, Firm Registration 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 2020-21 on a remuneration of Rs. 70,000/-. 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 2020-21.

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 is in any way, concerned or interested, financially or otherwise, in the resolution.

#### ITEM NO. 4 - Re-appointment of Mrs. Mansi Deogirkar (DIN: 07269038) as an Independent Director. (Woman Independent Director)

The members of the Company at the Annual General Meeting held on 30th September, 2015 appointed, Mrs. Mansi Deogirkar (DIN: 07269038) ("Non-Executive Independent Director") as an Independent Director for a term of five years effective from 30th September, 2015 (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 her 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 re-appointment of the Non-Executive Independent Director for a second term of five consecutive years from 30th September, 2020 to 29th September, 2025.

The Board, after taking into consideration the valuable contribution made by the Non-Executive Independent Director; her 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/ Key Managerial Personnel of the Company/ their relatives is in any way, interested in this resolution financially or otherwise.

Place: Nagpur  
Dated: 02/09/2020

By the order of Board  
Confidence Petroleum India Limited

Prity Bhabhra  
(Company Secretary)

**PARTICULARS OF DIRECTORS PROPOSED TO BE APPOINTED/ RE-APPOINTED AT THE 26<sup>th</sup> ANNUAL GENERAL MEETING**

Name of Director	Elesh Punamchand Khara	Mrs. Mansi Deogirkar
DIN	01765620	07269038
DOB	06/06/1967	11/12/1979
AGED	53 Years	41 Years
Date of Appointment	20/02/2004	31/03/2015
Qualification	Graduate	Graduate
Experience	28 Years	10 Years
Directorship In Listed Companies ( Including Present Appointment)	1 (One)	1 (One)
Shares Held	96,21,251	0
Relationship	Promoter & KMP of the company	-

ANNUAL REPORT  
2023-24

# BOARD'S REPORT

To,

The Members

**Confidence Petroleum India Limited,**

Your Directors are pleased to present the Twenty Sixth (26th) Annual Report of **Confidence Petroleum India Limited** (the Company or CPIL) along with the audited financial statements for the financial year ended March 31, 2020. The consolidated performance of the Company and its subsidiaries has been referred to wherever required. The summarized results for the year ended 31<sup>st</sup> March, 2020 are as under.

## 1. FINANCIAL RESULTS ( Standalone and Consolidated)

The performance of the Company for the financial year ended 2019-20 is summarized below:

(Rs. In Lacs)

Previous Year		Particulars	Current Year	
Standalone	Consolidated		Standalone	Consolidated
2018-19	2018-19		2019-20	2019-20
87334.39	100452.99	Net Revenue from operations	98579.12	107777.51
422.33	467.33	Add: Other Income	380.30	430.35
75674.28	87807.32	Less: Expenditure	86500.69	95117.42
12082.44	13113.00	Operating Profit (PBITD)	12458.72	13090.44
830.29	1091.83	Less: Interest & Financial Charges	897.26	1160.81
2815.22	2979.53	Less: Depreciation	4942.11	5120.87
8436.92	9041.64	Profit Before Tax & Exceptional Item	6619.35	6808.76
0	0	Less : Exceptional Item	0	0
0	0	Less : Extraordinary Item	0	0
8436.92	9041.64	Profit Before Tax	6619.35	6808.76
		Less: Provision for Taxation:		
		1) Current Tax:		
2005.53	2075.07	2) Deferred Tax:	1329.42	1370.74
525.54	532.59		325.42	326.14
5905.85	6433.97	Profit after Tax	4964.51	5111.87
2.16	2.44	Earnings Per Share (EPS)	1.81	1.91
2.16	2.44	Diluted	1.81	1.91

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

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

During the financial year 2019-20, revenue from operations on standalone basis increased to Rs. 985.79 Crore as against Rs. 873.34 crores in the previous year - a growth of 12.87%. The Profit After Tax for the current year is Rs.49.64crores against Rs.59.05crores in the previous year.

During the financial year 2019-20, revenue from operations on consolidated basis increased to Rs. 1077.77 Crore as against Rs. 1004.52 crores in the previous year - a growth of 7.29%. The Profit After Tax for the current year is Rs.51.11 crores against Rs.64.33 crores in the previous year.

## 2.2 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.

## 2.3 COMPANY'S AFFAIRS/ CURRENT BUSINESS

**Confidence Petroleum India Limited** comes under the Gas and has Petroleum Industries and following area of business :-

- i) PACKED LPG Trading– Commercial / Domestic LPG Segment
- ii) LPG / CNG Cylinder Manufacturing
- iii) Auto LPG Dispensing Station - ALDS STATIONS
- iv) LPG Bottling / Blending

## 3. DIVIDEND

During the year, The Company has not declared any final Dividend. The Board of Directors of the Company has adopted a Dividend Distribution Policy ('Policy') which aims to maintain a balance between profit retention and a fair, sustainable and consistent distribution of profits among its Members and is also uploaded on the Company's website.

## 4. COVID-19 PANDEMIC

In the March, 2020 the COVID -19 has accelerated globally resulting sharp decline of demand of LPG in global market resulting drastic fall in Bulk LPG prices globally As Company is procuring Bulk LPG from various sources with a prior monthly commitments, which company has fulfilled. But because of sudden government directives the consumption of LPG (Auto as well as Packed LPG ) came down drastically as hotels / Restaurants / Industries public transport system was completely locked down. The Company has determined the non-cash inventory holding losses in the LPG & Packed LPG businesses due to drastic drop in LPG prices accompanied with unprecedented demand destruction due to Covid-19 the same has been accounted for in accordance with IND As -2 regarding Valuation of Inventories.. The total impact on profitability accounts for 6.5 Crs.

## 5. SHARE CAPITAL

During the Financial Year 2019-20, the Company has issued 1,01,76,923/- (one Crores one lacs seventy six thousand nine hundred twenty three) Convertible warrant at Rs. 52 /-(Including Rs. 51 as Premium) to Gaspoint Petroleum India Limited on dated 26th July, 2019 on payment of 25% subscription amount. Further there is no change in the share capital of the company.

## 6. TRANSFER TO RESERVES

The Company has not transferred any amount to the Reserves for the year ended 31st March, 2020.

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

No material changes and commitments have occurred after the close of the year till the date of this report which may affect the financial position of the Company.



## **8. PUBLIC DEPOSITS**

During the year ended 31<sup>st</sup> March, 2020 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.

## **9. RELATED PARTY TRANSACTIONS**

There were no materially significant Related Party Transactions i.e. transaction of material nature, that may have potential conflict with the interest of Company at large. Transactions entered with the related parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the Financial Year 2019-20, the transactions were in the ordinary course of business and on an arm's length basis.

The Company has taken the omnibus approval for entering into related party transaction which are repetitive in nature and subject to certain criteria/conditions as required under the Companies (Meeting of Board and its Powers) Rules 2014 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 from the Audit Committee. The Audit Committee has taken the cognizance of related party transaction during the year under review.

During the year, the Company had not entered into any contract/arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The Policy on materiality of Related Party Transactions and dealing with the related party transactions as approved by the Board may be accessed on the Company's website.

**Particulars of contracts or arrangements with Related Parties referred in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended to the Board Report.**

## **10. SUBSIDIARIES AND ASSOCIATE COMPANIES**

A statement containing the salient features of financial statements of subsidiaries/joint venture companies of the Company in the prescribed Form AOC – 1 forms a part of Consolidated Financial Statements

(here in after referred to as “CFS”) in compliance with Section 129(3) and other applicable provisions, if any, of the Act read with Rules.

The Company has 12(Twelve) subsidiaries as on March 31, 2020. 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.

In accordance with Section 136 of the Act, the audited financial statements, including the CFS and related information of the Company and the financial statements of each of the subsidiary and associate companies are available on our website.

The Company does not have a material subsidiary.

## **11. CORPORATE GOVERNANCE**

Maintaining high standards of Corporate Governance has been fundamental to the business of your Company since its inception. A separate report on Corporate Governance is provided together with a Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations. A Certificate of the CEO and CFO of the Company in

terms of Listing Regulations, inter-alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

## **12. 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.

## **13. COMPLIANCES WITH RESPECT TO INDEPENDENT DIRECTORS**

Pursuant to Section 149(7) of Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, declaration(s) by all the Independent Director(s) have been obtained stating that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors as appointed by the Board possess various skills/ expertise which are required for the Directors in the context of the Company's business for effective functioning such as Leadership, Technology & Operational experience, strategic planning, Financial Regulatory, Legal and Risk Management, Industry experience, Research & Development and Global business. Further, all the Independent Directors are complying with the provisions of Section 150 of the Companies Act, 2013 read with The Companies (Appointment and Qualifications of Directors) Rules, 2014.

## **14. FAMILIARIZATION PROGRAMME AND TRAINING OF INDEPENDENT DIRECTORS**

All new Independent Directors inducted in to the Board attend an orientation programme. The Company has well-defined Training Program for training to Board Members which inter-alia include the various familiarization programs in respect of their roles, rights, responsibilities in the Company, nature of the industry in which Company operates, business model of the Company etc. Further, the same is also taken care during the various strategy meets of the Company and different presentations in the Board/ Committee meetings. The details of such familiarization programs have also been posted on the website of the Company. Further, at the time of the appointment of Independent Director, the Company issues a formal letter of appointment outlining his/her roles, responsibilities, functions, duties, remuneration and other terms and conditions. The format of the letter of appointment is available on the website of the Company.

## **15. 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.

## **16. 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 Rs. 27.36 Crs. The Case has been adjudged by Honourable Supreme Court finally decided in favour of company and no penalties against this order is payable by the company. The Competition Commission has further initiated fresh case in FY 2019-20 against company and other cylinder manufactures imposing penalty of Rs. 2.84 Crs against CPIL and Rs. 31 thousand against

directors. The company has filed an appeal and is expecting favourable verdict as was in earlier case as the grounds of new case is similar to earlier one.

## **17. 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 2019-20.

## **18. MEETINGS OF THE BOARD**

**14 (Fourteen)** 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.

## **19. 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.

## **20. VIGIL MECHANISM**

CPIL is committed to foster an environment of honest and open communication and discussion, consistent with our values. The Company has formulated a Whistle-Blower Policy, which lays down the process to convey genuine concerns to the management and seek resolution towards the same without fear of retaliation. This policy covers reporting of any violation, wrongdoing or non-compliance, including without limitation, those relating to the Code of Conduct, policies and standard procedures and any incident involving leak or suspected leak of Unpublished Price Sensitive Information (UPSI) or unethical use of UPSI, in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

Directors, employees and external stakeholders can report their genuine concerns either in writing or by email to the Chairperson of the Ethics Committee or to the Chief Internal Auditor or to the Chairperson of the Audit Committee. A report on functioning of the mechanism including the complaints received and actions taken is presented to the Audit Committee on a quarterly basis.

The Whistle-Blower Policy is available on the Company's website. Detailed updates on the functioning of the Whistle Blower Policy and compliance with the Code of Conduct have also been provided in the Report on Corporate Governance.

## **21. 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 2019-20.

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

## **22. DIRECTORS& KMP**

### **22.1 CHANGE IN BOARD COMPOSITION**

During the year under review, Mr. Supratim Basu has tender his resignation from the post of as Independent Director of the Company with effect from 13th September, 2019. Mr. Rajkumar Varma appointed as an Additional Director of the Company on 04th January, 2020 and appointed as an Independent Director of the company with effect from 04th February, 2020.

### **22.2 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.

### **22.3 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 30th September 2019, Mr. Sumant Sutaria was Re-appointed as Independent Director of the Company for a period of 5 years for a Second term of 5 years.

### **22.4 KEY MANAGERIAL PERSONNEL**

In terms of Section 203 of the Act, the Key Managerial Personnel (KMPs) of the Company during FY 2019-20 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.

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

The remuneration paid to the Directors, Key Managerial Personnel and Senior Management is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 of the Listing Regulations.

The information required under Section 197 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of the Company is set out in the Annexure to this report and is also available on the website of the Company



## **24. 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 2019-20 and of the Profit of the Company for that period.
- 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.

## **25. 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.

## **26. 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 here with. The extracts of the Annual Return of the Company can also be accessed on the Company's website at [www.confidencegroup.co](http://www.confidencegroup.co)

## **27. 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].

## **28. 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.

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

The Company has constituted a Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. The brief details of CSR Committee are provided in the Corporate Governance Report. The Annual Report on CSR activities is annexed to this Report. The CSR Policy is available on the website of the Company

## **30. 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.

## **31. AUDITORS**

### **31.1 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** has been appointed by the Shareholders of the Company as Statutory Auditors for the financial year 2019-20.

The Auditors have submitted an unqualified report for the financial year 2019-20. No fraud has been reported by Auditors under sub-section (12) of section 143 of the Companies Act, 2013.

### **31.2 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, 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 2020-21. 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.

### **31.3 SECRETARIAL AUDITOR**

CS Yugandhara Kothalkar, Practicing Company Secretary, Nagpur was appointed by Board of Director to conduct the Secretarial Audit of the Company for the Financial year 2019-20 as required under Section 204 of Companies Act, 2013 and rules there under.

The Secretarial Audit Report for the Financial Year 2019-20 is annexed herewith to this Report. The report contains remark made by the Secretarial Auditors and comments as given below:

- i) Non-compliance of Regulation 17(1) C of SEBI (LODR) Regulation, 2015: Due to Resignation of a Director, the no. of Directors fell below 6 (Six). However, after that the company has complied the Regulation by appointing a new Director.
- ii) Delay in filing requisite E-Forms: However, the company has complied the same by filing the requisite E-forms.

### **32. COMPLIANCE WITH SECRETARIAL STANDARDS**

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

### **33. 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.

### **34. INTERNAL CONTROL SYSTEM/ FINANCIAL CONTROL**

CPL has laid down an adequate system of internal controls, policies and procedures for ensuring orderly and efficient conduct of the business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

Effectiveness of internal financial controls is ensured through management reviews, controlled self assessment and independent testing by the Internal Audit Team.

The Chairman on behalf of Audit Committee has confirmed the adequacy of internal financial controls in the Audit Committee Report which forms part of Report of Corporate Governance.

### **35. 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 2019-20. 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	2019-20 ( In Lacs)
<b>Outgoing</b>	
<b>For Purchase of LPG (High Seas purchase payment made in INR)</b>	<b>11622.62</b>
<b>For Purchase of LPG Dispensers</b>	<b>309.05</b>
<b>Earnings</b>	
<b>For Investment in Equity of Foreign Subsidiary (PT Surya Go Gas, Indonesia) Return on investment received</b>	<b>570.49</b>

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

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter referred to as "Prevention of Sexual Harassment Act"), the Company has formulated a Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of sexual harassment at workplace and an Internal Complaints Committee has also been set up to redress any such complaints received.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates.

The Company periodically conducts sessions for employees across the organization to build awareness about the Policy and the provisions of Prevention of Sexual Harassment Act.

During the year under review, there were no complaints pertaining to sexual harassment.

## **37. 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.

## **38. 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.

### **39. 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/-**  
**NitinKhara**  
**Managing Director**  
**DIN : 01670977**  
**Place: Nagpur**  
**Date: 02/09/2020**

**SD/-**  
**EleshKhara**  
**Director**  
**DIN :01765620**

**अनुमोदित/सहस्र**  
**अनुमोदित/सहस्र**

# **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 (2016-17 to 2018-19):** Rs.4230.97 Lacs
- 4. Prescribed CSR expenditure (two per cent of the amount as in item 3 above) (2016-2017 to 2018-19) :**Rs. 84.62Lacs

**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 up to reporting period	amount spent: Direct or through implementing agency
1.	COVID-19 Pandemic Mask / Sanitizer Distribution	Social	Karnataka/ Tamilnadu/ Telangana/ Maharashtra/	9,45,200/-	9,45,200/-	Direct
2.	Free Education to Children	Education	Nagpur	75,63,500	75,63,500	G.H.Raisoni University, Amravati

- 5. Details of CSR spend during the financial year:**

(a) Total amount spent for the financial year : Rs. 85,08,700/-

(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)**

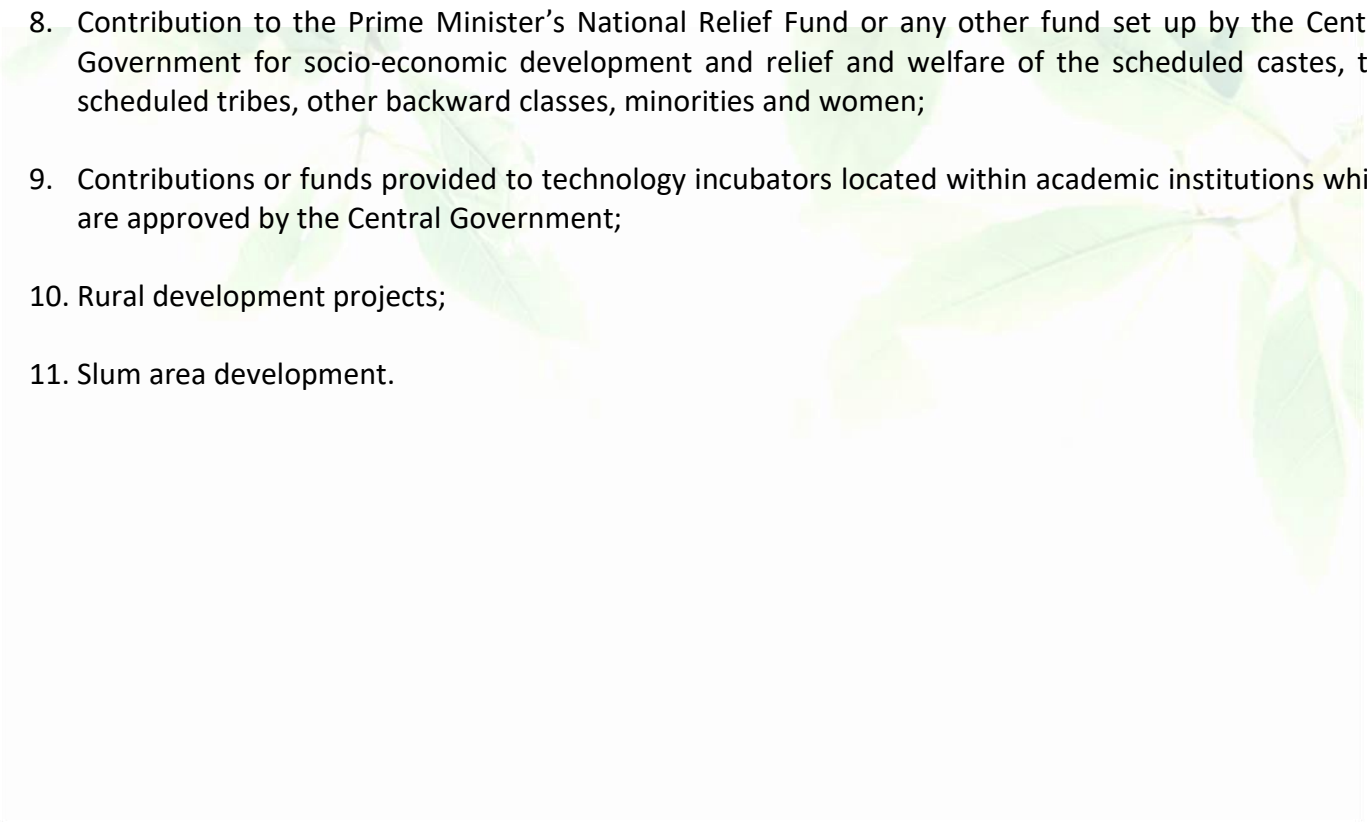
## **OUTLINE OF CSR POLICY**

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 organisation 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, Paralympics 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.

संस्कृत विश्वविद्यालय



# Form No. AOC-1

## Statement containing salient features of Financial Statement of Subsidiaries

### Part A: Subsidiaries

(Rs. In Lacs)

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.	2019-20	INR	20.00	-125.16	705.68	705.68	0.00	70.70	0.21	0.15	0.00	100.00
2.	Taraa LPG Bottling Pvt. Ltd.	2019-20	INR	1.00	-37.65	69.67	69.67	0.00	0.00	-0.16	-0.16	0.00	100.00
3.	Agwan Coach Pvt. Ltd.	2019-20	INR	10.00	-99.73	1.31	1.31	0.00	16.52	0.72	0.67	0.00	100.00
4.	Gaspoint Bottling Pvt. Ltd.	2019-20	INR	25	136.82	820.81	820.81	0.10	1193.81	25.28	18.96	0.00	100.00
5.	Confidence Go Gas Ltd.	2019-20	INR	5.00	159.57	107.95	107.95	175.38	16.45	51.68	51.62	0.00	100.00
6.	Keppy Infrastructure Developers Pvt. Ltd.	2019-20	INR	1.00	-22.02	47.93	47.93	0.00	16.75	0.29	0.20	0.00	100.00
7.	Unity Cylinders Equipmnt Pvt. Ltd.	2019-20	INR	1.00	14.27	282.73	282.73	0.00	240.71	25.05	18.79	0.00	100.00
8.	Confidence Technologies Pvt. Ltd.	2019-20	INR	1.00	32.47	977.66	977.66	0.00	1365.68	25.22	18.91	0.00	100.00
9.	S.V. Engineering & Equipments Pvt. Ltd.	2019-20	INR	1.0	-40.37	811.64	811.64	0.00	853.00	0.62	0.58	0.00	100.00
10.	Confidence Futuristic Energetech Ltd.	2019-20	INR	200.0	6.65	1651.84	1651.84	229.10	145.88	0.28	0.21	0.00	52.52
11.	Blueflame Industries Pvt. Ltd.	2019-20	INR	50.00	37.96	12.75	12.75	0	3122.72	25.11	18.83	0.00	75.00
12.	Pt Surya Go Gas Indonesia	2019-20	IDR	2514.00	2688.52	5807.77	5807.77	84.73	325.72	46.28	37.49	0.00	70.00

Sr. No.	Name of the Associates	Latest Audited Balance sheet Date	Shares of Associate/Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint ventures is not consolidated	Net worth attributable to Share holding	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	The company carry the business as joint venture/ associate	NA	50	0.04	-	-
2.	Nine Infra Projects Pvt. Ltd	31/03/2019	0.05	2.5	50	The company carry the business as joint venture/ associate	NA	50	40.06	-	-
3.	Papusha Gases Pvt Ltd	31/03/2019	0.05	0.50	50	The company carry the business as joint venture/ associate	NA	50	0.00	-	-
4.	Jaypore Blueflames Pvt. Ltd	31/03/2019	0.05	0.50	50	The company carry the business as joint venture/ associate	NA	50	0.00	-	-
5.	Suraj Cylinders Pvt. Ltd	31/03/2019	0.05	10.25	50	The company carry the business as joint venture/ associate	NA	50	0.00	-	-

## 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 March 31, 2020, 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 March 31, 2020 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
Papusha Gases Private Limited	Associate Company	Sale	Yearly	Sale of LPG	NIL
North East Cylinders	Company is Partner	Sale	Yearly	Sale of LPG	NIL
Blueflame Industries Private Limited	Subsidiary Company	Sale	Yearly	Sale of LPG	NIL
Confidence Futuristic Energetech Limited	Subsidiary Company	Purchases	Yearly	Purchase of LPG	NIL
Hemkunt Petroleum Limited	Wholly owned Subsidiary Company	Sale	Yearly	Sale 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 & CEO	Salary	Yearly	Salary	NIL
Elesh Khara	Executive Director & CFO	Salary	Yearly	Salary	NIL

**PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURES & DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF 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-2019-20
Mr. Nitin Khara	Managing Director & CEO	-
Mr. Elesh Khara	Director & CFO	-%

- 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 Lakhs per annum.

**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2020****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	7/21/1994
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	B-13, Prabhu Kripa Society, Nanda Patkar Road, Near Telephone Exchange, Vile Parle (East), Mumbai-400057.
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 and Others	28121	17.89%
2	LPG Bottling, Sale of LPG, ALDS	23203	82.11%



### 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	U23203PB1994 PLC015318	Subsidiary	100	Sec 2 (87)
2	Taraa LPG Bottling Private Limited	U23201TN200 OPTC044791	Subsidiary	100	Sec 2 (87)
3	Agwan Coach Private Limited	U34102MH199 5PTC091048	Subsidiary	100	Sec 2 (87)
4	Keppy Infrastructure Developers Private Limited	U74210MH199 7PTC112604	Subsidiary	100	Sec 2 (87)
5	Unity Cylinders & Equipments Private Limited	U11100MH201 6PTC273500	Subsidiary	100	Sec 2 (87)
6	Confidence Technologies Private Limited	U23203MH200 6PTC161155	Subsidiary	100	Sec 2 (87)
7	Gas Point Bottling Private Limited	U23200MH199 9PTC122337	Subsidiary	100	Sec 2 (87)
8	Confidence Go Gas Limited	U11101MH200 8PLC181298	Subsidiary	100	Sec 2 (87)
9	S. V. Engineering & Equipments Private Limited	U74900TG201 6PTC103719	Subsidiary	100	Sec 2 (87)
10	Confidence Futuristic Energetek Limited	L74110DL1985 PLC021328	Subsidiary	52	Sec 2 (87)
11	PT Surya Go Gas Indonesia	NA	Subsidiary	70	Sec 2 (87)
12	Chhattisgarh Gas Point Bottling Private Limited	U45209CT2000 PTC014076	Associates	50	Sec 2 (6)
13	Blueflame Industries Private Limited	U74999MH201 5PTC266805	Subsidiary	75	Sec 2 (6)
14	Papusha Gases Pvt Ltd	U24111CT1994 PTC008870	Associates	50	Sec 2 (87)
15	Jaypore Blueflames Private Limited	U11100RJ2014 PTC046258	Associates	50	Sec 2 (6)
16	Nine Infra Projects Private Limited	U45400MH201 1PTC218010	Associates	50	Sec 2 (6)
17	Suraj Cylinders Private Limited	U74999MH201 7PTC300803	Associates	50	Sec 2 (6)

#### 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-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	3,31,54,238		3,31,54,238	12.11%	33,154,238		3,31,54,238	12.11%	0.00%
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	82,111,172		82,111,172	29.99%	86,067,965		86,067,965	31.43%	1.44%
e) Banks / FI									
f) Any other	24,553,105	2,969,698	27,522,803	10.05%	24,553,105	2,969,698	27,522,803	10.05%	0.00%
<b>Sub Total (A) (1)</b>	139,818,515	2,969,698	142,788,213	52.15%	143,775,308	2,969,698	146,745,006	53.59%	1.44%
(2) <b>Foreign</b>									
a) NRI Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Any other									
<b>Sub Total (A) (2)</b>									
<b>TOTAL (A)</b>	139,818,515	2,969,698	142,788,213	52.15%	143,775,308	2,969,698	146,745,006	53.59%	1.44%
<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) FIIs	16,367,122		16,367,122	5.98%	18,793,835		18,793,835	6.86%	0.88%
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total (B)(1):-</b>	16,367,122		16,367,122	5.98%	18,793,835		18,793,835	6.86%	0.88%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1,95,54,073	131,000	19,685,073	7.19%	14,066,065	131,000	14,197,065	5.18%	-2.01%
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	5,67,46,922	5,344,969	62,091,891	22.67%	56,120,620	5,086,969	61,207,589	22.35%	-0.32%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	3,02,00,490	648,000	30,848,490	11.27%	29639231	648,000	30,287,231	11.06%	-0.21%
c) Any others (including Clearing Members)	405,580	0	405,580	0.15%	695,420	0	695,420	0.25%	0.10%
Non Resident Indians	1648631	0	1648631	0.60%	1908854	0	1908854	0.70%	0.10%
Overseas Corporate Bodies									
Foreign									

Nationals									
Trusts									
Foreign Bodies - D R									
<b>Sub-total (B)(2):-</b>	108,555,696	6,123,969	114,679,665	41.88%	102,430,190	5,865,969	108,296,159	39.55%	-2.33%
<b>Total Public (B)</b>	124,922,818	6,123,969	131,046,787	47.86%	121,224,025	5,865,969	127,089,994	46.41%	-1.45%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	264,741,333	9,093,667	273,835,000	100.00%	264,999,333	8,835,667	273,835,000	100.00%	0.00%

**(ii) Shareholding of Promoter**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year-01.04.2019			Shareholding at the end of the year-31.03.2020			% change in sharehol- ding 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 / encumber- ed to total shares	
1	Nitin P Khara	23,532,987	8.59%	7.97%	23,532,987	8.59%	7.97%	0.00%
2	Nalin P Khara	11,611,044	4.24%	0	11,611,044	4.24%	0	0.00%
3	Elesh P Khara	9,621,251	3.51%	0	9,621,251	3.51%	0	0.00%
4	Rasila P Khara	2,969,698	1.08%	0	2,969,698	1.08%	0	0.00%
5	Neela Khara	2,301,855	0.84%	0	2,301,855	0.84%	0	0.00%
6	Alpa Khara	5,486,750	2.00%	0	5,486,750	2.00%	0	0.00%
7	Harsha Khara	4,477,456	1.64%	0	4,477,456	1.64%	0	0.00%
8	Bipin Khara	380,000	0.14%	0	380,000	0.14%	0	0.00%
9	Illesh P Khara	296,000	0.11%	0	296,000	0.11%	0	0.00%
10	Gaspoint petroleum(l) Ltd	66,387,160	24.24%	0	66,387,160	24.24%	0	0.00%
11	Khara Software Services Ltd	7,600,000	2.78%	0	7,600,000	2.78%	0	0.00%
12	NNV Finance Pvt Ltd	4,953,040	1.81%	0	4,953,040	1.81%	0	0.00%
13	Confidence LPG Bottling Pvt Ltd	1,436,353	0.52%	0	4,035,151	1.47%	0	0.95%
14	Essenn LPG Bottling Private Limited	1,734,619	0.64%	0	3,092,614	1.13%	0	0.49%
	<b>Total</b>	<b>142788213</b>	<b>52.14%</b>	<b>7.97%</b>	<b>146,745,006</b>	<b>53.58%</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	Confidence LPG Bottling Pvt Ltd		1,436,353	0.52%	1,436,353	0.52%
	changes during the year			2,598,798	0.95%	4,035,151	1.47%
	At the end of the year			4,035,151	1.47%	4,035,151	1.47%
2	At the beginning of the year	Essenn LPG Bottling Private Limited		1,734,619	0.63%	1,734,619	0.64%
	changes during the year			1,357,995	0.50%	3,092,614	1.13%
	At the end of the year			3,092,614	1.13%	3,092,614	1.13%

### (iii) Shareholding Pattern of top ten Shareholders

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

				No. of shares	% of total shares	No. of shares	% of total shares
1	GLOBAL STRONG GROWTH FUND						
	At the beginning of the year			13,386,367	4.89%	13,386,367	4.89%
	Changes during the year						0.00%
	At the end of the year			13,386,367	4.89%	13,386,367	4.89%
2	SAMRATH REAL INFRA PRIVATE LIMITED						
	At the beginning of the year			5,718,930	2.09%	5,718,930	2.09%
	Changes during the year			(87,863)	-0.03%	5,631,067	2.06%
	At the end of the year			5,631,067	2.06%	5,631,067	2.06%
3	ABHISH KUMAR						
	At the beginning of the year			3,347,569	1.22%	3,347,569	1.22%
	Changes during the year	Sale		(802,932)	-0.29%	2,544,637	0.93%

	At the end of the year			2,544,637	0.93%	2,544,637	0.93%
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4	JASOL INVESTMENT AND TRADING CO. PVT. LTD						
	At the beginning of the year			2,000,000	0.73%	2,000,000	0.73%
	Changes during the year	Sale		(671,297)	-0.25%	1,328,703	0.49%
	At the end of the year			1,328,703	0.49%	1,328,703	0.49%

5	SANJAY V TIBDIWAL						
	At the beginning of the year			1,702,299	0.62%	1,702,299	0.62%
	Changes during the year	Sale		(190,000)	-0.07%	1,512,299	0.55%
	At the end of the year			1,512,299	0.55%	1,512,299	0.55%

6	SEVEN CANYONS WORLD INNOVATORS FUND						
	At the beginning of the year			-	0.00%		
	Changes during the year			1,723,245	0.63%	1,723,245	0.63%
	At the end of the year			1,660,271	0.63%	1,723,245	0.63%

7	AJAY UPADHYAYA						
	At the beginning of the year			1,350,000	0.49%		0.00%
	Changes during the year	Purchase		150,000	0.05%	1,500,000	0.55%
	At the end of the year			1,500,000	0.55%	1,350,000	0.55%

8	RUPESH KUMAR SONI						
	At the beginning of the year			-	0.00%		
	Changes during the year			1,325,000	0.48%	1,325,000	0.48%
	At the end of the year			1,325,000	0.53%	1,325,000	0.48%

9	DEVENDRA BIPIN KHARA						
	At the beginning of the year			1,309,001	0.48%	1,309,001	0.48%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			1,309,001	0.48%	1,309,001	0.48%

10	KAVITA VINODKUMAR TIBDIWAL						
	At the beginning of the year			1,446,475	0.53%	1,446,475	0.53%

	Changes during the year	Sale		(443,808)	-0.16%	1,002,667	0.37%
	At the end of the year			1,002,667	0.37%	1,002,667	0.37%

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

				No. of shares	% of total shares	No. of shares	% of total shares	
1	NITIN KHARA							
	At the beginning of the year	4/1/2019		23,532,987	8.59%	23,532,987	8.59%	
	Changes during the year			-	0.00%	-		
	At the end of the year	3/31/2020		23,532,987	8.59%	23,532,987	8.59%	
2	ELESH KHARA							
	At the beginning of the year	4/1/2019		9,621,251	3.51%	9,621,251	3.51%	
	Changes during the year			-	0.00%	-		
	At the end of the year	3/31/2020		9,621,251	3.51%	9,621,251	3.51%	

3	SUMANT SUTARIA							
	At the beginning of the year	4/1/2019		9,380	0.00%	9,380	0.00%	
	Changes during the year			-	0.00%	-	0.00%	
	At the end of the year	3/31/2020		9,380	0.00%	9,380	0.00%	

4	SUPRATIM SUBIMAL BASU							
	At the beginning of the year	4/1/2019		20,000	0.01%	20,000	0.01%	
	Changes during the year	NIL			0.00%		0.00%	
	At the end of the year	3/31/2020		20,000	0.01%	20,000	0.01%	

5	MANSI DEOGIRKAR							
	At the beginning of the year	4/1/2019			0.00%	-	0.00%	
	Changes during the year	NIL			0.00%		0.00%	
	At the end of the year	3/31/2020			0.00%	-	0.00%	
6	VAIBHAV DEDHIA PRADEEP							
	At the beginning of the year	4/1/2019			0.00%	-	0.00%	
	Changes during the year	NIL			0.00%		0.00%	
	At the end of the year	3/31/2020			0.00%	-	0.00%	

## V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	3,791.34	2,101.59	Nil	5,892.92
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>3,791.34</b>	<b>2,101.59</b>	<b>-</b>	<b>5,892.92</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	188.74	-		188.74
* Reduction	-	(351.97)		(351.97)
Net Change				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3,980.08	1,749.62	Nil	5,729.70
ii) Interest due but not	-	-	-	-



paid				
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	5,729.70

#### 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			-
	Commission			-
4	- as % of profit			-
	- others, specify			-
5	Others, please specify			-
	Total (A)	90	60	150.00

##### 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				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors				-
	Fee for attending board committee meetings				-
	Commission				-

	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

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

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name				(Rs/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				-
	Total	-	-	2.23	2.23

#### 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	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil



# Form No.MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(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 as on cable 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<sup>st</sup> March, 2020 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<sup>st</sup> March, 2020, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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;



(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; **(Not applicable to the Company during the Audit Period);** and

(h) The Securities and Exchange Board of India (Buy back 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 there under

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 (BSE) and National Stock Exchange (NSE).

(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 subject to the following observations:-

#### **Observation I –**

Non-compliance of Regulation 17(1) C of SEBI (LODR) Regulation, 2015: Due to Resignation of a Director, the no. of Directors fell below 6 (Six). However, after that the company has complied with the Regulation by appointing a new Director.

#### **Observation II –**

Delay in filing requisite E-Forms

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 notices are given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provision of the Act, 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.

The decisions at Board Meetings and Committee Meetings are carried out with requisite majority as recorded in the

minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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.

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.

I further report that during the audit period, the Company has passed Special Resolutions in Extra-Ordinary General Meeting held on dated 04<sup>th</sup> February, 2020 for:-

- i) Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013;
- ii) Alteration of Object Clause in the Memorandum of Association of the Company; and
- iii) Appointment of Rajkumar Varma as an Independent Director.

**Date: 24<sup>th</sup> August, 2020**

**CS YUGANDHARA KOTHALKAR**

**Place: Nagpur**

**PRACTICING COMPANY SECRETARY**

**MEMB. NO. - 28673 CP. NO. - 10337**

**UDIN - A028673B000610298**

ANNUAL REPORT

## **‘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: 24<sup>th</sup> August, 2020**

**CS YUGANDHARA KOTHALKAR**

**Place: Nagpur**

**PRACTICING COMPANY SECRETARY**

**MEMB. NO. - 28673 CP. NO. - 10337**

**UDIN - A028673B000610298**

# Management Discussion & Analysis Report

## Industry Structure And Developments

### LPG Industry

Liquefied Petroleum Gas 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 by 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 domestic consumers, the consistent hike in excise duty of automotive fuels such as diesel and petrol has made commercial LPG a favourable option for automotive segment as well. Petrol and diesel still continued to be under excise and benefit of GST is not available.

During lockdown mobility in various cities is highly restricted, but steep hike in the prices of petrol & diesel has given immense opportunities for Auto LPG with larger number of vehicles to shift for alternative fuel i.e. Auto LPG to save money.

LPG has become the most popular domestic cooking fuel. The Government's initiatives to provide safe and clean fuel to every household has made India the second largest consumer of LPG fuel globally. On an average, India consumes 20 million tonnes per annum with an average growth in excess of 8% per annum. The prevailing Covid-19 pandemic had further pushed the volumes of residential LPG. Most urban population understood the benefits of composite cylinders, marketed under the brand name "GoGas Elite" and has given selling opportunities within residential segment.

LPG penetration in the rural areas also continued to be healthy with the introduction of various Government schemes. Under these schemes more than 90% of Indian households have access to LPG, up from 55% in 2016.

### Outlook

LPG demand from the residential segment is expected to witness heavy growth momentum in the coming months, or until the pandemic is brought under control. As per Oil Ministry 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 LPG industry is City Gas Distribution network and Electric Vehicles (EV). The company, however don't foresee any major threat in coming 7 to 10 years as both City Distribution network and EV require huge investment in infrastructure so also lots of challenges are involved in the success of PNG, CNG and EV looking to the paying capacity and geographical bottlenecks.



### **Opportunity**

LPG prices have sharply declined as compared to its highs in 2017-18. As a result, LPG has become an attractive and feasible fuel in comparison to other fuels like CNG. The decline in the prices of LPG is the result of fall in the prices of two major components of LPG i.e. Propane and Butane.

Increased monitoring and environmental audits, strict pollution norms are forcing many industries to shift from Oil and coal to alternative fuel-LPG.

LPG is clean and cheap fuel for automotive segment LPG is third most commonly used automotive fuel following petrol and diesel. It fuels more than 26 million vehicles across 70 countries of the world. The economic viability and environmental friendliness of LPG paved way for use of LPG, the Green & clean fuel as automotive fuel in India as well. The use of auto LPG by automotive sector in India commenced in the year 2000. Today, there are over 1,800 Auto LPG Dispensing Stations (ALDS) set-up across India. State Governments of Karnataka, Maharashtra, Tamil Nadu, Andhra Pradesh, Telangana, Rajasthan and West Bengal have made use of LPG mandatory by auto rickshaws raising the demand of LPG by 45%. (Source: Indian Auto LPG Coalition).

### **RISKS, THREATS AND CONCERNS**

The Company focuses on managing capital judiciously to ensure that the debt equity ratio remains comfortable and the Company is not financially stressed under any circumstances. The company follows appropriate Risk Management Policy mechanism commensurate with its size and business operations. Stringent controls on project costs are exercised so also strictly monitor project cost overruns, if any.

The Company has devised a Risk Management Policy and the management is coherently working to adhering to it to achieve sustainable growth and mitigate risks and threats.

Company's business is primarily regulated and monitored by Bureau of Indian Standards and Petroleum And Explosives Safety Organization (formerly Chief Controller of Explosives). The Company is required to adhere to their standards and norms which helps in mitigating the risks and threats.

The major threat to LPG industry is City Gas Distribution network and Electric Vehicles (EV). The company, however don't foresee any major threat in coming 7 to 10 years as both City Distribution network and EV require huge investment in infrastructure so also lots of challenges are involved in the success of PNG, CNG and EV looking to the paying capacity and geographical bottlenecks. Requirement of huge Capex for both City Gas Distribution network and Electric Vehicles and foreseeing the Indian geographic condition comprising most of the rural areas, it is not practically possible to establish the same.

All the properties and assets belonging to the Company have been adequately insured.

## **SEGMENTWISE REVIEW**

### **1. AUTO LPG SEGMENT**

With in-depth knowledge and thoughts understanding CPIL has successfully emerged as the largest and fastest growing player in ALDS segment in the private sector under the brand name 'GOGAS'. CPIL'S approach to ALDS made it a game changer. The company has been licenced by Petroleum And Safety Organization (Formerly Chief Controller Of Explosives) to undertake the business of LPG purchase. The Company has its Auto LPG Dispensing Stations are located in different States of the country viz. Karnataka, Tamil Nadu, Telengana, Andhra Pradesh, Maharastra, RajhsthanMadayaPardesh and West Bengal.



infrastrue as distribution of Auto LPG is through containers and does not involve distribution pipelines channels for to the end user.

Undoubtedly, the company's business under this segment is affected due to Covid pandemic, still we forsee that in the coming period the prevailing scenario will change and the public transport shall ply as eariler improving the sales under this segment. If we campare the prices of Auto LPG with other fules, the price of LPG in international market has come down drastically, which made Auto LPG the most cheaper& feasible fuel for automoblies and industries. Further no other fuel can compete with LPG as less Capex is required for setting-up

During the Current financial year Company was able to achieve a turnover of 119.81 million ltrs up from 90.80 Ltrs archived in FY 2018-19 i.e, a jump in quantity of arround 32.30 %. This robust performance [of only 11 months in current year (one months lost in pandemic) ] may be attributed to effective management by company of its various resources and in particular marketing initiatives taken for increase in turnover. Despite tremendus rise in quantity top line couldn't increase as compared to quantity as prices of LPG fell by nearly 11%. Though in current year in times PANDEMIC it has been difficult for most of us to sustain including company. The Company in ensuing has been able to achieve 60 % of its existing turnover in this segement and is further expecting to achieve arround 75 % of turnover that it has achieved in FY 2019-20. However since future of pandmic is still uncertain we can only make estimates.

### **2. LPG RETAIL SEGMENT/PACKED LPG SEGEMENT-**



In this segment Company undertake retail marketing of Packed LPG Cylinders under the brand name 'GoGas' and 'GoGas elite'. It caters huge demnad of non-subsidised segment, Hotels / restaurants / cafes (HORECA) and other industries. It is available in cylinders of different sizes ranging from 12kg 15kg, 17kg, 21kg and 33 kg. The Company is introducing 450 kg LOT cylinders for industrial and commercial applications. Certainly, Covid pandemic had impact on sales in this

segment also, but with the start of Unlock phase the take away facility for HORECA is already permitted by the Government as a result the sales of this segment is restoring and Comany expect better sales once the Covid pandemic is over, as it is focusing on marketing and capuring new market for this segment as well.

During the Current financial year Company was able to achieve a turnover of 85,152 Metric tonnes up from 50150 Mts in FY 2018-19 ie., a jump in quantity of around 69.79 %. This top class performance [of only 11 months in current year (one months lost in pandemic) ] is due to wider reach by functional and effective dealer and distributor network base set up by company. The company has through various initiatives and schemes depending on nature and size of market achieved this performance. Despite tremendous rise in quantity topline could not increase as compared to qualitative jump as prices of LPG fell by nearly 20%. In current of PANDEMIC it has been difficult for most of us to survive the company has performed well. During the ensuing year the company has been able to achieve 60% of its existing turnover in this segment and is further expecting to achieve around 75 % of turnover achieved in FY 2019-20. However since future of pandemic is still not clear we can only make estimates.



### 3. BOTTLING DIVISION



The company is the largest LPG bottler in the private sector having PAN India presence. Company is engaged in bottling for major oil giants like BPCL HPCL Reliance so also undertake bottling for its own brand 'GoGas' (LPG RETAIL SEGMENT). In coming days company shall focus on bottling of its own brand 'GoGas' as the sales in retail segment is expected to grow. Simultaneously, company will also undertake bottling for various oil majors i.e BPCL, HPCL, RELIANCE. As all the bottling plants of the company are strategically located, will help company save cost on logistics so also store the stock at various locations for distribution. Company is working on hub and spoke model. With the help of bottling plants company provide uninterrupted and timely service to its own retail segment and oil majors.

During the Current financial year Company was able to achieve a turnover of Rs. 29.54 Crs a drop from 39.22 Crs in FY 2018-19 ie., a slide in quantity of around 25%. This slide in performance [of only 11 months in current year (one months lost in pandemic) ] is due to completion of various tenders and delay in receiving extensions / re-orderd. However in current year we are expecting good results in this segment.



#### 4. CYLINDER DIVISION

CPIL is one of the largest private sector player in LPG 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 organisation is well equipped with capabilities to provide a complete range of LPG cylinders primarily to PSU oil majors viz. BPCL, HPCL, IOCL and secondly to other private players like Reliance. With PAN India presence the division enjoys logistic advantages. Because of the Covid pandemic the PSU Oil giants are focusing on service to its existing customers rather than focusing on new customers base. Once the prevailing Covid issue is resolved they will focus on new customer base through different schemes like Ujawalla, new connection schemes, which will help company get new orders for LPG cylinders. The company foresees huge orders from PSU Oil majors once the Covid pandemic is over.



During the Current financial year Company was able to achieve a turnover of 17.23 Lacs Cylinders from 22 Lacs Cylinders in FY 2018-19 i.e., a slide in quantity of around 22.85%. This slide in performance [of only 11 months in current year (one month lost in pandemic)] may be attributed to delay in receiving orders from PSU Oil Majors which are its principal source of revenue. Though in current year in times PANDEMIC it has been difficult for most of us to sustain including company. However during the ensuing year the company has been able to achieve 20 % of its existing turnover in this segment and is further expecting to achieve around 50 % of turnover achieved in FY 2019-20. However since future of PANDEMIC is still not clear we can only make estimates.

#### 5. CORPORATE SOCIAL RESPONSIBILITY



At Confidence Petroleum, we firmly believe in fulfilling our social responsibility towards the society. This year during Covid-19 pandemic period the company undertook the task of sanitizing each and every auto which visited its Auto LPG Dispensing Stations so also sanitized each and every cylinder before distribution to the end user and distributed

Masks and sanitizers as a part of our drive towards nation building and health care. The company has been extremely concerned over connecting to nations drive towards building literacy and quality education and for

this it has collaborated with educational institutes engaged in such activity. Further Company has also done plantation activity in various bottling plants / Pumps of the company for better environment.

## **6. INTERNAL CONTROL SYSTEMS**

The Company has adequate internal control systems commensurate with the size and nature of its business. The system has been designed to ensure acquisition of Company assets in an economical manner and its safeguard to ensure their protection against any damage or destruction. The internal auditors of the Company regularly carry out review of the internal control system to detect deviations, if any. The report of the internal auditors is submitted to the management on a monthly basis, which help in prevention and detection of fraud so also report discrepancies, if any, in the day-to-day activities of the Company. Further, the internal control systems are periodically reviewed by the Audit Committee and are updated with the requirements of the organization.

## **7. HUMAN RESOURCE MANAGEMENT**

The Company's management has adopted a professional approach for managing workforce of the company. The company inducted various professionals from the industry at senior as well as mid-management level to prepare nextlevel of growth. The company's second line is reasonably experienced. Key managerial personnel possesses several years of experience in their respective areas. The Management is supported by a strong team of professionals for growth of businesses.



# CORPORATE GOVERNANCE REPORT

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is about meeting our strategic goals responsibly and transparently, while being accountable to our stakeholders. The Company is equipped with a robust framework of corporate governance that considers the long term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. The framework lays down procedures and mechanisms for enhancing leadership for smooth administration and productive collaboration among employees, value chain, community, investors and the Government..

The practice of responsible governance has enabled it to achieve sustainable growth, while meeting the aspirations of its stakeholders and fulfilling societal expectations. 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 Board of Directors have the ultimate responsibility of ensuring effective management, long term business strategy, general affairs, performance and monitoring the effectiveness of the Company's corporate governance practices. The Managing Director & CEO reports to the Board and is in charge of the management of the affairs of the Company, executing business strategy in consultation with the Board and achieving annual long term business targets.

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.

**SIZE AND COMPOSITION OF BOARD OF DIRECTORS :** 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 March 31, 2020, 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
Nitin Punamchand Khara	Chairman , Managing Director, CEO
Elesh Punamchand Khara	CFO, Director (Executive)
Sumant Jayantilal Sutaria	Director– Independent (Non-Executive)
Mansi Manoj Deogirkar	Woman Director- Independent (Non-Executive)
Vaibhav Pradeep Dedhia	Director- Non-Executive (Non-Executive)
Supratim Subimal Basu	Director– Independent (Non-Executive) Date of Cessation : 13-09-2019
Rajkumar Gobindlal Varma	Director – Independent (Non-Executive) Date of Appointment : 04-01-2020

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

### 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

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 March 31, 2020 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	No. Of Board Meeting held and attended during FY-2019-20		Last AGM Attended Yes/No	Directorship in other Public Companies	*No. of other Board Committee of which Member/ Chairman	No. of Shares Held
		Held during the tenure	Attended				
Mr. Nitin Khara DIN: 01670977	Promoter & Executive	15	14	YES	5	4	2,35,32,987
Mr. Elesh Khara DIN: 01765620	Promoter & Executive	15	14	NO	5	1	96,21,251
Mr. Sumant Sutaria DIN: 00298428	Non-Executive, Independent Director	15	7	YES	0	2	9,380
Supratim Subimal Basu DIN : 01910081 (Resigned on 13/09/2019)	Non-Executive, Independent Director	9	5	YES	0	0	20,000
Mrs. Mansi Deogirkar DIN: 07269038	Non-Executive, Independent Director	15	12	NO	0	2	0
Mr. Vaibhav Pradeep Dedhia DIN: 08068912	Non-Executive, Independent Director	15	13	YES	1	5	0
Mr. Rajkumar Varma DIN: 08670948 (Appointed on 04/01/2020)	Non-Executive, Independent Director	3	1	NA	0	0	0

\* Other Board Committee includes : Audit Committee, Stakeholder Relationship Committee and Nomination Remuneration Committee

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 March 31, 2020 have been made by all the Directors of the Company.

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.

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.

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.

None of the Independent Directors on the Board are serving as the Independent Director in more than two listed entities.

## BOARD MEETING

The Board meets at regular intervals to discuss and decide Company’s business policy and strategy apart from other Board business. The Board oversees implementation of business policies for attaining its objectives. The Board has constituted various committees to facilitate the smooth and efficient flow in decision-making process.

The meetings of the Board of Directors are generally held at the Company’s Corporate office at Nagpur.

During the FY 2019-20, 15 (Fifteen) Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The Details of Board Meeting is as given below :-

April-June-2019	July-September-2019	October-Decemembr-2019	January-March-2020
20-04-2019	17-07-2019	14-11-2019	04-01-2020
02-05-2019	19-07-2019		27-01-2020
20-05-2019	26-07-2019		04-02-2020
31-05-2019	28-08-2019		17-03-2020
26-06-2019	16-09-2019		-

## 3. SEPARATE 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 **14<sup>th</sup> November, 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

## **Familiarisation Program of Independent Directors**

All new Independent Directors are taken through a detailed induction and familiarisation program when they join the Board of your Company. Through familiarisation programmes, Independent Directors are provided insights of the Company including nature of industry in which the Company operates, business model of the Company, constitution of the Board, Board procedures, matters reserved for the Board and major risks facing the business and mitigation programs. The Independent Directors are also made aware of their roles and responsibilities at the time of their appointment.

The Company also arranges for visits to the Company's Plants to enable them to get first hand understanding of the processes. Further, an information pack is handed over to the new Director(s) on the Board, which includes, Company profile, Company's Codes and Policies, Strategy documents and such other operational information which will enable them to discharge their duties in a better way. In Board meetings, immersion sessions on business strategy, operational and functional matters provide good insights on the businesses carried on by the Company to the Independent Directors. These sessions also involve interactions with multiple levels of management.

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

## **BOARD COMMITTEES:**

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review. As on date, the Board has established the following 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**

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations as amended from time to time and Section 177 of the Companies Act, 2013. The brief terms of reference of Audit Committee are as under:

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 judgment 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-commending 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.

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 5(Five) times during the year 2019-20 and the details of meetings attended by the members are given below:

April-June-2019	July-September-2019	October-Decemebr-2019	January-March-2020
20-05-2019	26-07-2019	14-11-2019	27-01-2020
	28-08-2019		

Name of the Directors	Meetings Attended
Mr. Vaibhav Dedhia	5
Mr. Elesh Khara	5
Mr. Sumant Sutaria	5

#### ✦ **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.

#### **SCOPE OF NRC**

The scope of NRC is as follows:-

1. The Nomination and Remuneration Committee shall identify 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 shall specify the manner and criteria for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an Independent external agency and review its implementation and compliance.
2. The Nomination and Remuneration Committee shall recommend whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
3. The Nomination and Remuneration Committee shall recommend to the Board, all remuneration, in whatever form, payable to senior management.
4. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

5. Nomination and Remuneration Committee shall, while formulating the policy as mentioned above shall ensure that –

(a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

(b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

6. The Remuneration policy framed by Nomination and Remuneration Committee shall be placed on the website of the company and the statutory provisions for its disclosures as mentioned under Companies Act, 2013 / SEBI (LODR) Regulations, 2015 shall be complied with.

7. Devising a policy on diversity of Board of Directors.

8. The Committee has the authority to consult any independent professional adviser it considers appropriate to provide independent advice on the appropriateness of remuneration packages, given trends in comparative companies both locally and internationally.

9. Any other matter as decided by the Board of Directors of the Company or as specified under the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time.

## 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 6 (Six) times during the year 2019-20:

April-June-2019	July-September-2019	October-Decemeb-2019	January-March-2020
20-05-2019	26-07-2019	06-11-2019	27-01-2020
	28-08-2019	14-11-2019	

Name of the Directors	Meetings Attended
Mr. Sumant Sutaria	5
Mrs. Mansi Deogirkar	4
Mr. Vaibhav Dedhia	5

Details of the remuneration paid to the Executive Directors for the year 2019-20 are given below:

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

Particulars	Mr. NitinKhara	Mr. EleshKhara
(1)		
Salary & Perquisites	90,00,000	60,00,000
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 time lines 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.

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 5 (Five) times during the year 2019-20:**

April-June-2019	July-September-2019	October-Decemebr-2019	January-March-2020
20-05-2019	26-07-2019	14-11-2019	27-01-2020
-	28-08-2019	-	-

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	5
Mr. Nitin Khara	5
Mr. Vaibhav Dedhia	5

#### ✦ **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-2019	July-September-2019	October-Decemebr-2019	January-March-2020
05-04-2019	10-08-2019	27-11-2019	28-01-2020
05-06-2019	07-09-2019	-	31-01-2020
		-	06-02-2020

Name of the Directors	Meetings Attended
Mr. Nitin Khara	8
Mr. Elesh Khara	8
Mr. Vaibhav Dedhia	8

**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.

**Role of Corporate Social Responsibility Committee**

The role of the Corporate Social Responsibility Committee is as follows:

- i) Formulate and recommend to the Board, the Corporate Social Responsibility Policy and the activities to be undertaken by the Company.
- ii) Recommend the amount of expenditure to be incurred on the activities.
- iii) Monitor the Corporate Social Responsibility Policy from time to time.
- iv) Discharge such duties and functions as indicated in the section 135 of the Companies Act, 2013 and Rules made there under from time to time and such other functions as may be delegated to the Committee by the Board from time to time.
- v) Take all necessary actions as may be necessary or desirable and also to settle any question or difficulty or doubts that may arise with regards to Corporate Social Responsibility activities/Policy of the Company.

The Committee carried out its annual evaluation and discussed the evaluation report of its performance. The Committee believes it has performed effectively and has carried out the role assigned to it. The Committee reviewed the compliance status of its Charter (i.e. its role and responsibilities) and noted that it has comprehensively covered all the responsibilities assigned to it under the Charter.



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 2019-20: 27-01-2020**

The CSR Report as required under the Act for the year ended March 31, 2020 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
2018-19	30th of September 2019 At 2.30 PM	Dragonfly Hotel, New Chakala Link Road, Opposite Solitaire Corporate Park, Near Jb Nagar Gurudwara, Andheri (East), Mumbai – 400093
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.

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 04<sup>th</sup> February, 2020 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.

**ii) Details of non-compliance by the Company, penalties, and 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 behavior, 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 provide 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 members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2020. The Annual Report of the Company contains a certificate by the Chief Executive Officer and Managing Director, on the compliance declarations received from the members of the Board and Senior Management.

**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:

a) The financial statements along with the investments made by the unlisted subsidiaries are placed before the Audit Committee and the Company's Board, quarterly.

b) 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.

c) 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.

d) 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 2019-20, 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, and 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 Corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

**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, 1<sup>st</sup> 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: 23/09/2020 to 29/09/2020 (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<sup>ST</sup> MARCH, 2020:

Sr.No.	Category of Shareholder	No. of Shares held	% of Shareholding
(A)	<b>Promoter &amp; Promoter Group</b>		
	Indian	<b>14,67,45,006</b>	<b>53.59</b>
	Foreign		
(B)	<b>Public</b>	<b>12,70,89,994</b>	<b>46.41</b>
1.	<b>Institutions:</b>		
	Foreign Institutional Investors (FIIs)	1,87,93,835	6.86
2.	<b>Non-Institutions:</b>	10,82,96,159	39.55
	Body Corporate	1,41,97,065	5.18
	Individuals	9,14,94,820	33.41
	Clearing Members	6,82,520	0.25
	Non-Residents (NRI)	19,08,854	0.70
	Other	12,900	0.00
	<b>GRAND TOTAL</b>	<b>27,38,35,000</b>	<b>100</b>

## DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2020

Shares Slab	Shareholders	% of Holders	Total Shares	Amount (Rs)	%
Upto - 100	8023	28.58	424528	424528	0.16
101 - 500	8588	30.59	2700475	2700475	0.99
501 - 1000	3887	13.85	3415854	3415854	1.25
1001 - 2000	2345	8.35	3822314	3822314	1.4
2001 - 3000	1560	5.56	4312716	4312716	1.57
3001 - 4000	777	2.77	2940627	2940627	1.07
4001 - 5000	690	2.46	3345128	3345128	1.22
5001 - 10000	1003	3.57	7638982	7638982	2.79
10001 - 20000	513	1.83	7511197	7511197	2.74
20001 - 50000	394	1.4	12390192	12390192	4.52
50001 & Above	295	1.05	225332987	225332987	82.29
<b>TOTAL</b>	<b>28075</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, 1<sup>st</sup> 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 2019-20:****FACE VALUE PER EQUITY SHARE : - RS. 1/-**

MONTH	HIGH PRICE	LOW PRICE	CLOSE PRICE
APR-19	47.70	40.00	40.50
MAY-19	42.00	36.50	39.75
JUN-19	41.70	34.15	36.00
JUL-19	36.45	25.50	27.00
AUG-19	29.05	19.35	24.75
SEP-19	36.50	22.20	30.05
OCT-19	31.15	25.75	29.00
NOV-19	31.25	23.05	25.80
DEC-19	28.75	23.30	28.55
JAN-20	30.10	26.05	27.05
FEB-20	27.80	23.85	24.30
MAR-20	24.80	12.85	14.70

**DETAILS OF SHARES AS ON 31/03/2020**

Mode	No. of Shares	% of Total Capital
Demat /Electronic		
- in CDSL	13,24,99,725	48.39%
- in NSDL	13,24,99,608	48.39%
Physical	88,35,667	03.22%
Total No. of shares	27,38,35,000	100.00%

**WORKS**

1. Khasra No. 428, Village Gajangarh, Dist :Pali, Rajasthan
2. Arazi No. 120, Gulab Nagar, Village KherodaDist.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, Taluka Khalapur, Dist. Raigad Maharashtra-410207 (Cylinder Manuf. unit-II)
5. Village Paud, P. O. Majgaon, Rasayani, Taluka Khalapur, Dist. Raigad Maharashtra-410207(LPG Bottling unit-I)
6. Village Paud, P. O. Majgaon, Rasayani, Taluka Khalapur, Dist. Raigad Maharashtra-410207(LPG Bottling unit-II).
7. Village Kinathkuda, Taluka Pollachi, Arsapalyam. Dist. Coimbatore, State :Tamilnadu
8. Khasra No. 152/154, bhagwanpur, Tah. Roorkee, Haridwar, State – Uttrakhand– 262401
9. Khasra No. 96 & 386/2, Khuna Jhirikhurd, Dist. Chhindwara, Madhya Pradesh
10. Khasra No. 10/8784/17, Village BhatarkiSarai, NH – 76, Village Taluka Vallabh 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, Udhamsingh Nagar, Uttarkhand.
13. Survey no. 338, Post Noorpura, Village & Taluka Halol, 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 BapanaTaluka 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.SJagat 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 Vill Magrayar, 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, GJ
26. AT Dadwa Randal A/c No. 655 RS. NO. 165P HP 1-13-34 Dist Amreli, Gujarat.
27. Moje Moraj Rs. No. 167/3 Area – 1-33-55 Tarapur Anand Gujarat
28. Kh No 81/2, 82, Vikkage Ringabodi, Dist Nagpur
29. Khata No.0014, Khasra No. 31, Village – Kanman Baheri, District – Bareilly, State – Uttarpradesh
30. SF no. 178/A2 Thoppampattti Village Mannapparai Taluka, Thirruhirrapalli Dist, Tamilnadu

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

To,

The Members of

**Confidence Petroleum India Limited**

701, Shivai Plaza Premises CHS Ltd.,

Plot No. 79, Marol Ind. Estate, Nr. Mahalaxmi Hotel,

Andheri (E), Mumbai, MH – 400059, India.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. Confidence Petroleum India Limited** having CIN L40200MH1994PLC079766 and having registered office at 701, Shivai Plaza Premises CHS Ltd., Plot No. 79, Marol Ind. Estate, Nr. Mahalaxmi Hotel, Andheri (E), Mumbai, MH – 400059, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment	Date of Resignation
01	Nitin Punamchand Khara	01670977	01-10-2004	NA
02	Elesh Khara	01765620	20-02-2004	NA
03	Sumant Jayantilal Sutaria	00298428	20-02-2004	NA
04	Mansi Manoj Deogirkar	07269038	31-03-2015	NA
05	Vaibhav Pradeep Dedhia	08068912	28-09-2018	NA
06	Supratim Subimal Basu	01910081	28-09-2018	13-09-2019
07	Rajkumar Gobindlal Varma	08670948	04-01-2020	NA

Note – Date of appointment of all the directors are original date of appointment as per MCA Records.

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Siddharth Sipani & Associates**

**Place : Nagpur**

**Date : 29/08/2020**

**Sd/-**

**Siddharth Sipani**

**Practising Company Secretaries**

**ACS : 28650 CP : 11193**

**UDIN : A028650B000632363**

**CERTIFICATE OF THE MANAGING DIRECTOR, CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**

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 2019-20:

(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 volatile 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**

Place: Nagpur  
Date: 19/06/2020

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

## AUDITOR'S 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 March 31, 2020 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**

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

**Ganesh Adukia**  
**Proprietor**  
**M. No.136954**

**Akhil Rathi'**  
**Proprietor**  
**M. No. 169737**

**Place : Nagpur**  
**Dated: 02/09/2020**

**AKHIL RATHI' & CO.**  
**CHARTERED ACCOUNTANTS**

# CONFIDENCE PETROLEUM INDIA LIMITED

## INDEPENDENT AUDITORS REPORT

### INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF CONFIDENCE PETROLEUM INDIA LIMITED  
Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Confidence Petroleum India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)	<b>Principal Audit Procedures :-</b> We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. We have obtained an understanding of and assessing the design, implementation and operating effectiveness of managements key internal controls relating to the reconciliation of revenue, including to the reconciliation of sales records to cash / credit card / online receipts preparation, posting and approval of manual journal entries relating to revenue recognition



<p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>Refer Notes 1.4a and 2.16 to the Standalone Financial Statements</p>	<ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</li> <li>• Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re performance and inspection of evidence in respect of operation of these controls.</li> <li>• Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</li> <li>• Selected a sample of continuing and new contracts and performed the following procedures: <ul style="list-style-type: none"> <li>• Read, analysed and identified the distinct performance obligations in these contracts.</li> <li>• Compared these performance obligations with that identified and recorded by the Company.</li> <li>• Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.</li> <li>• Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes.</li> <li>• In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. We also tested the access and change management controls relating to these systems.</li> <li>• Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.</li> <li>• Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</li> <li>• We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</li> <li>• We have obtained reconciliation of retail sales as per books of account with the sales as per indirect tax records and inquire about reasons for differences, if any</li> <li>• Performing an analysis of the manual journal entries passes during the year.</li> </ul> </li> </ul>
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2	<p>The Company's major part of inventory comprises finished goods which are geographically spread across multiple locations such as retail stores, depots and factories. These inventories are counted by the Company on a cyclical basis and accordingly provision for obsolescence of inventories is assessed and recognized by the management in the financial statements based on management estimation as at end of reporting period. The Company manufactures and sells goods which may be subject to changing consumer demands and fashion trends. Significant degree of judgment is thereby required to assess the net realizable value of the inventories and appropriate level of provisioning for items which may be ultimately sold below cost. Such judgment include management's expectations for future sale volumes, inventory liquidation plans and future selling prices less cost to sell. Based on above, existence and valuation of inventories has been identified as a key audit matter.</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <p>A) Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to physical verification of inventories by the management and the internal auditors of the Company, identification of obsolete and slow moving inventories, inventories with low or negative gross margins, monitoring of inventory ageing and assessment of provisioning and of net realizable values.</p> <p>B) Assessing whether items in the inventory ageing report prepared by the management were classified within the appropriate ageing bracket;</p> <p>C) Performing a review of the provisions for inventories by examining movements in the balance during the current year and new provisions made for inventory balances as at 31 March 2018 during the current year to assess the historical accuracy of management's inventory provisioning process;</p> <p>D) Assessing, on a sample basis, the net realizable value of slow-moving and obsolete inventories and inventories with low or negative gross margins as calculated by management with reference to prices achieved and costs to sell after the financial year end.</p> <p>E) Attending cyclical inventory counts at selected stores, factories, retail distribution centres and wholesale distribution centres twice during the reporting period and evaluating the results of the cycle counts performed by the management throughout the year to assess management's estimation of the provisioning.</p>
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### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone

financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

☑ Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient

and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

☑ Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

☑ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

☑ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial

statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

☐ Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit 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 purposes 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, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the IND AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the 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.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.



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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("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**

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

**Ganesh Adukia**  
**Proprietor**  
**M. No. 169737**  
**Nagpur, Dated: 19th June, 2020**

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

ANNEXURE B



## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CONFIDENCE PETROLEUM INDIA LIMITED**

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### **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-2020 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, 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-2020.

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

**Ganesh Adukia**  
**Proprietor**  
**M. No.169737**  
**Nagpur, Dated: 19th June. 2020**

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

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

**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR 2019-20**

## 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, 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, customs duty, excise duty, value added tax, cess and Goods & Service Tax other material statutory dues in arrears as at March 31, 2020 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, value added tax and Goods & Service Tax which have not been deposited as on March 31, 2020.

(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.

(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: 19th June. 2020**

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

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

**AKHIL RATHI & CO.**  
**CHARTERED ACCOUNTANTS**



**CONFIDENCE PETROLEUM INDIA LIMITED**

**Standalone Statement of Assets and Liabilities as at 31st March, 2020**

Particulars	Notes	AS AT 31.03.2020	AS AT 31.03.2019
<b>ASSETS</b>		<b>(Figures Rs. in Lacs)</b>	<b>(Figures Rs. in Lacs)</b>
<b>Non-current assets</b>			
Property, plant and equipment	1	29,958.56	28,508.95
Capital work-in-progress	1	3,821.80	1,872.81
Investments in subsidiaries, associates and joint ventures	2	4,867.58	3,171.35
Loans	3	4,104.21	2,263.67
<b>Other non-current assets</b>	4	865.90	569.80
<b>Sub-total - Non-Current Assets</b>		<b>43,618.05</b>	<b>36,386.58</b>
<b>Current assets</b>			
Inventories	5	5,217.80	5,555.61
Investments (Current)	6	-	1,462.97
Trade receivables	7	6,012.97	5,700.21
Cash and cash equivalents	8	128.83	398.69
Bank balances other than Cash and			
Cash equivalents above	8	1,726.75	1,448.59
Other financial assets	9	4,453.89	2,556.20
<b>Other current assets</b>	10	708.14	73.17
<b>Sub-total - Current Assets</b>		<b>18,248.38</b>	<b>17,195.44</b>
<b>TOTAL - ASSETS</b>		<b>61,866.43</b>	<b>53,582.02</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	11	2,738.35	2,738.35
Other equity	12	40,281.02	34,078.59
<b>Sub-total - Equity funds</b>		<b>43,019.37</b>	<b>36,816.94</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	13	2,721.83	2,932.31
Other financial liabilities	14	9,730.30	7,458.00
Deferred Tax Liability (Net)	15	1,939.56	1,614.14
<b>Sub-total - Non-current Liabilities</b>		<b>14,391.69</b>	<b>12,004.45</b>
<b>Current liabilities</b>			
Borrowings	16	3,007.87	2,960.62
Trade payables	17	520.40	1,141.19
Other Financial liabilities	18	211.25	183.44
Other current liabilities	19	583.50	331.72
Provisions	20	132.35	143.66
<b>Sub-total - Current liabilities</b>		<b>4,455.37</b>	<b>4,760.63</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>61,866.43</b>	<b>53,582.02</b>

Significant Accounting Policies & Notes to Accounts 1-20 / As per our Report of even date

**For AKHIL RATHI & CO.**  
Chartered Accountants

**For GANESH ADUKIA & ASS.**  
Chartered Accountants

**For and On Behalf of Board**

**Akhil Rathi**  
Proprietor  
M. No. 154788  
(FRN: 136954W)

**Ganesh Adukia**  
Proprietor  
M. No. 169737  
(FRN: 142238W)

**Nitin Khara**  
(Managing Director)  
(DIN: 01670977)

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

**Vaibhav Dedhia** **Priti Bhabra**  
(Director) (Company Secretary)  
(DIN: 08068912) (M.No 52365)

Place: Nagpur / Date 19<sup>th</sup> June, 2020



**CONFIDENCE PETROLEUM INDIA LIMITED**

**Standalone Profit and Loss statement for the year ended 31st March, 2020**

Particulars	Notes	AS AT 31.03.2020	AS AT 31.03.2019
<b>Revenue</b>		<b>(Figures Rs. in Lacs)</b>	<b>(Figures Rs. in Lacs)</b>
I. Revenue from operations	21	98,579.12	87,334.40
II. Other Income	22	380.30	422.33
<b>Total Revenue</b>		<b>98,959.42</b>	<b>87,756.73</b>
<b>Expenses:</b>			
Cost of materials consumed	23	16,388.22	20,042.18
Purchase of Stock-in-Trade	24	57,818.30	44,697.31
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	572.51	(395.18)
Employee benefit expense	26	4,039.59	2,479.00
Financial costs	27	897.26	830.29
Depreciation /amortization and Depletion expense	01	4,942.11	2,815.23
Other expenses	28	7,682.07	8,850.97
<b>Total Expenses</b>		<b>92,340.06</b>	<b>79,319.80</b>
Profit before exceptional and extraordinary items and tax		6,619.36	8,436.93
Exceptional Items / Extraordinary Items		0.00	0.00
Profit before Exceptional / extraordinary items and tax		6,619.36	8,436.93
<b>Profit before tax</b>		<b>6,619.36</b>	<b>8,436.93</b>
<b>Tax expense:</b>			
(1) Current tax		1,329.42	2,005.53
(2) Deferred tax		325.42	525.55
<b>Profit(Loss) for the period from continuing operations</b>		<b>4,964.52</b>	<b>5,905.85</b>
<b>Profit/(Loss) for the period</b>		<b>4,964.52</b>	<b>5,905.85</b>
Earning per equity share:			
(1) Basic		<b>1.81</b>	<b>2.16</b>
(2) Diluted		<b>1.81</b>	<b>2.16</b>

Significant Accounting Policies & Notes to Accounts 1-20 / As per our Report of even date

**For AKHIL RATHI & CO.**  
**Chartered Accountants**

**For GANESH ADUKIA & ASS.**  
**Chartered Accountants**

**For and On Behalf of Board**

**Akhil Rathi**  
**Proprietor**  
**M. No. 154788**  
**(FRN: 136954W)**

**Ganesh Adukia**  
**Proprietor**  
**M. No. 169737**  
**(FRN: 142238W)**

**Nitin Khara**  
**(Managing Director)**  
**(DIN: 01670977)**

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

**Vaibhav Dedhia**  
**(Director)**  
**(DIN: 08068912)**

**Priti Bhabra**  
**(Company Secretary)**  
**(M.No 52365)**

**Place: Nagpur / Date 19<sup>th</sup> June, 2020**

**CONFIDENCE PETROLEUM INDIA LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019
	(Figures Rs. in Lacs)	(Figures Rs. in Lacs)
<b>A : CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	6,619.35	8,436.93
Depreciation	4,942.11	2,815.23
Interest Expenses	897.26	830.29
Dividend & Interest Received Shown Separately	(313.58)	(405.73)
<b>Operating Profit before Working Capital Changes</b>	12145.14	11676.72
Decrease / (Increase) in Sundry debtors	(312.76)	(677.24)
Decrease / (Increase) in Short term Loans & Advances, Other Current Assets	(2532.66)	(941.31)
Increase / (Decrease) in Inventories	337.82	(414.62)
Increase / (Decrease) in Current Liabilities	(352.5)	(1859.80)
<b>Cash Generated from Operations</b>	9285.03	7783.75
<b>Income Tax Paid</b>	1654.84	2531.08
<b>Net Cash Generated from Operating Activities</b>	<b>7630.20</b>	<b>5252.67</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure	(8340.71)	(12282.81)
Investment in Short Term Funds	1462.97	(1462.97)
Investment During the year	(1696.23)	(685.25)
Movement in Loans & Advances	(2136.65)	(594.54)
Dividend Received	9.30	0
Interest Received	304.28	405.73
<b>Net Cash Used in Investing Activities</b>	<b>(10397.04)</b>	<b>(14619.84)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Fresh Equity Shares / Warrant Raised	1323.00	7800.00
Fresh Borrowings	2434.49	3294.54
Dividend Paid/ CSR Expenses	(85.09)	(360.37)
Repayment of Long Term Borrowing	0	(183.44)
Interest Expenses	(897.26)	(830.29)
<b>Net Cash Used in Financing Activities</b>	<b>2775.14</b>	<b>9720.44</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>8.30</b>	<b>353.27</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT THE BEGINNING OF YEAR</b>	<b>1847.28</b>	<b>1494.01</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT END OF THE YEAR</b>	<b>1855.58</b>	<b>1847.28</b>

**Notes :**

**1** 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".

**2** Purchase of Fixed Assets includes movement of capital work-in-progress during the year.

Significant Accounting Policies & Notes to Accounts 1-20 / As per our Report of even date

**For AKHIL RATHI & CO.**

**For GANESH ADUKIA & ASS.**

**For and On Behalf of Board**

**Chartered Accountants**

**Chartered Accountants**

**Akhil Rathi**

**Ganesh Adukia**

**Nitin Khara**

**Elesh Khara**

**Vaibhav Dedhia Priti Bhabra**

**Proprietor**

**Proprietor**

**(Managing Director)**

**(Director & CFO)**

**(Director) (Company Secretary)**

**M. No. 154788**

**M. No. 169737**

**(DIN: 01670977)**

**(DIN: 01765620)**

**(DIN: 08068912) (M.No 52365)**

**(FRN: 136954W)**

**(FRN: 142238W)**

**Place: Nagpur / Date 19<sup>th</sup> June, 2020**

## CONFIDENCE PETROLEUM INDIA LIMITED

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### A. COMPANY OVERVIEW

Confidence Petroleum India Limited (the Company) is a BSE and 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.

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

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

- (i) it is expected to be realised 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 realised 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, 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 fulfillment 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 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 an indication that the intangible assets may be impaired. The amortization period and amortization method for an intangible asset 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.

## 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.

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.

### **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 set by the Managing Board.

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

### **Ageing of Account Receivables**

(Figures Rs, in Lacs)

Particulars		AS AT 31.03.2020	AS AT 31.03.2019
Debts Outstanding for a period exceeding six months		198.26	200.65
Others		5,814.71	5,499.57
<b>Total</b>		<b>6,012.97</b>	<b>5,700.21</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:

(figures Rs, in Lacs)

Particulars		AS AT 31.03.2020	AS AT 31.03.2019
Net Debt		5,940.95	6076.37
Total Equity		43,019.37	368.17
Debt / Equity		0.14	0.17

### Dividend

The company has declared dividend but Details of dividend paid are

(figures Rs, in Lacs)

Particulars		AS AT 31.03.2020	AS AT 31.03.2019
Interim Dividend Paid		0	273.84
Corporate Tax on Dividend		0	56.29

### Earning Per Share ( EPS )

(figures Rs, in Lacs)

Particulars		AS AT 31.03.2020	AS AT 31.03.2019
Net Profit After Tax		4964.51	5905.85
Weighted Average No of Shares		2738.35	2738.35
Nominal Value of Shares		1.00	1.00
Basic Earnings per share		1.81	2.16
Diluted Earnings per share		1.75	2.16

### 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.

Particulars	As at 31st March 2020			As at 31st March 2019		
	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</b>						
<b>At amortized Cost</b>						
Investment	4868	-	-	3171	-	-
Trade Receivable	6013	-	-	5788	-	-
Cash & Cash Equivalent	1856	-	-	1879	-	-
<b>At FVTPL</b>						
Investment	-	-	-	1463	-	-
Other financial Assets	-	-	-	-	-	-
<b>At FVTOCI</b>						
Investment						
Financial Liabilities	-	-	-	-	-	-
Borrowings	3219	-	-	3144	-	-
Trade Payable	520	-	-	1141	-	-
Other Financial Liabilities including other Payable	716	-	-	475	-	-

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.

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 April 1, 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 re-measure 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 re-measurement 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 April 1, 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 April 1, 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 on the financial statements

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

Amendments to Ind AS 19: Plan Amendment, Curtailment 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

**CONFIDENCE PETROLEUM INDIA LIMITED**

**NOTES FORMING PART OF PROFIT AND LOSS ACCOUNT AND BALANCE SHEET AS ON 31-03-2020**

**Note -1 - : PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS**

(Figures Rs. in Lacs)

	ASSETS				DEPRECIATION					NET BLOCK	
						During the					
Block Head	Opening Balance	Addition 19-20	Sale/Adj	Total Value	Upto 31/03/2019	On Assets whosed Life has Expired	Other Assets	Sale/Adj	Upto 31/03/2020	AS ON	
										31.03.20	31.03.19
LAND	1943.54	70.95	0.00	2014.49	0.00	0.00	0.00	0.00	0.00	2014.49	1943.54
LEASE HOLD LAND	603.74	0.00	0.00	603.74	349.33	0.00	24.17	0.00	373.50	230.24	254.41
OFFICE BUILDING	261.32	0.00	0.00	261.32	40.82	0.00	10.74	0.00	51.56	209.76	220.50
FACTORY BUILDING	12444.40	847.90	18.94	13273.36	4823.49	0.00	744.31	0.00	5567.80	7705.55	7620.91
PLANT AND MACHINERY	26926.92	1868.67	0.00	28795.59	13682.62	0.00	2219.52	0.00	15902.14	12893.45	13244.30
ELECTRICAL INSTALLATION	665.43	6.32	0.00	671.75	655.28	0.00	2.02	0.00	657.29	14.45	10.15
VEHICLE	706.80	0.00	0.00	706.80	411.08	0.00	92.35	0.00	503.43	203.37	295.72
HEAVY VEHICLE	1419.91	647.86	0.00	2067.78	429.98	0.00	447.21	0.00	877.19	1190.58	989.93
FURNITURE & FIXTURES	164.46	4.15	0.00	168.61	149.28	0.00	2.95	0.00	152.22	16.38	15.19
COMPUTER	247.53	43.06	0.00	290.60	189.72	0.00	44.24	0.00	233.96	56.64	57.81
OFFICE EQUIPMENT	82.51	5.17	0.11	87.57	58.84	0.00	3.94	0.00	62.78	24.79	23.67
CYLINDERS	7134.30	2916.70	0.00	10051.00	3301.48	0.00	1350.67	0.00	4652.15	5398.85	3832.82
TOTAL	52600.87	6410.77	19.05	58992.60	24091.92	0.00	4942.11	0.00	29034.03	29958.56	28508.95
WIP Project	1872.81	12954.84	11005.86	3821.80	0.00	0.00	0.00	0.00	0.00	3821.80	1872.81
TOTAL	54473.69	19365.62	11024.90	62814.40	24091.92	0.00	4942.11	0.00	29034.03	33780.37	30381.76

# CONFIDENCE PETROLEUM INDIA LIMITED

Notes on Financial Statements for the Year ended 31st March, 2020

PARTICULARS		AS AT 31.03.2020	AS AT 31.03.2019
		Rs. in Lacs	Rs. in Lacs
<b>2. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES</b>			
National Saving Certificate		0.17	0.17
Shares of Tirupati Bank		6.38	6.38
Shares in Indian company (Unquoted)		0.51	0.51
- Investment in Partnership Business of M/s Bangalore Go Gas		12.50	12.50
- Investment in Partnership Business of M/s Sneha Petroleum, Bangalore		272.55	272.55
- Investment in Partnership Business of M/s North East Cylinders		50.00	50.00
- Investment in Indian Auto Gas Ltd.		228.63	2.25
- Investment in UMA LPG Bottling Pvt Ltd.		40.00	0
- Investment in Garg Distillaries Pvt. Ltd.		186.12	186.12
- Investment – Others		1418.76	0.00
	(a)	<b>2,215.62</b>	<b>530.48</b>
<b>In Equity Shares of Subsidiaries</b>	<b>Face Value</b>		
-100% holding in Shares of Hemkunt Petroleum Ltd	10	12.30	12.30
-100% holding in Shares of Taraa LPG Bottling Pvt. Ltd	100	1.00	1.00
-100% holding in Shares of Agwan Coach Pvt. Ltd.	10	10.00	10.00
- 100% holding in Shares of Gaspoint Bottling Pvt. Ltd.	10	98.00	98.00
-100% holding in Shares of Confidence Go Gas Ltd.	100	5.00	5.00
-100% holding in Shares of Keppy Infrastructure Developers Pvt. Ltd.	10	1.00	1.00
-100% holding in Shares of Unity Cylinders Equipment P Lt d	10	1.00	1.00
-100% holding in Shares of Confidence Technologies Pvt. Ltd.	10	1.00	1.00
-100% holding in Shares of SV Engineering Pvt. Ltd.	10	481.88	481.88
- 50% holding in Shares of Chhatisgarh Gaspoint Bottling Pvt. Ltd.	10	39.00	39.00
- 50% holding in Shares of Nine Infra Projects Pvt. Ltd.	10	2.50	2.50
- 50% holding in Shares of Blue flame Industries Pvt. Ltd.	10	133.50	133.50
- 50% holding in Shares of Papusha Gases Pvt Ltd	10	0.50	0.50
- 50% holding in Shares of Jaypore Blueflames Pvt. Ltd.	10	0.50	0.50
- 50% holding in Shares of Suraj Cylinders Pvt. Ltd.	10	21.34	10.25
- 50% holding in Shares of Confidence Futuristic Infra Ltd.	10	229.83	229.83
	(b)	<b>1,038.35</b>	<b>1,027.26</b>
<b>In Joint Venture</b>			
- 70% holding in Investment In Pt Surya Go Gas Indonesia		1,613.61	1,613.61
	(c)	<b>1,613.61</b>	<b>1,613.61</b>
<b>TOTAL (a+b+c)</b>		<b>4,867.58</b>	<b>3,171.35</b>

PARTICULARS	AS AT 31.03.2020 Rs. in Lacs	AS AT 31.03.2019 Rs. in Lacs
<b>3. LOANS / ADVANCES GIVEN:</b>		
Advances Given	145.56	77.35
Deposits and Recoverable	3958.65	2186.31
<b>TOTAL</b>	<b>4104.21</b>	<b>2263.66</b>
<b>2. OTHER NON CURRENT ASSETS</b>		
Advance Payment of Taxes	865.90	569.80
	<b>865.90</b>	<b>569.8</b>
<b>CURRENT ASSETS</b>		
<b>5. INVENTORIES</b>		
(At Lower of Cost or Net Realizable Value which ever is lower and As Valued, Verified & certified by the Management)		
- Raw Materials	687.30	657.33
- Work in Progress	1348.86	2451.99
- Finished Goods	531.11	522.48
Components	91.40	88.50
Consumables	119.87	116.06
Stores and Spares	30.55	29.21
LPG	2186.99	1666.60
Scrap	23.82	22.22
Gas Stoves	196.68	-
Loose Tools	1.22	1.22
<b>TOTAL</b>	<b>5217.80</b>	<b>5555.61</b>
<b>1. INVESTMENTS:</b>		
Short Term Investment in LIC Housing Finance	0	1462.97
	<b>0</b>	<b>1462.97</b>
<b>2. TRADE RECEIVABLES</b>		
Receivables	5814.71	4857.50
(Unsecured, considered good)		
Receivables for period exceeding 6 months)	198.26	165.46
<b>TOTAL</b>	<b>6012.97</b>	<b>5022.97</b>
<b>3. CASH AND CASH EQUIVALENTS</b>		
Cash in Hand	128.83	398.69
(Refer to Note No. 13 of Notes to accounts in Schedule 29)		
	<b>128.83</b>	<b>398.69</b>
<b>Balances With Banks :</b>		
In Current Account	817.18	397.85
<b>In Fixed Deposit Account</b>		
Fixed Deposit Account Without Lien		
F.D.R. (Against L/C B/G Margin Money /Others)	909.57	1050.74
	<b>1726.75</b>	<b>1448.59</b>
<b>Total Cash &amp; Bank Balance</b>	<b>1855.58</b>	<b>1847.28</b>
<b>4. OTHER FINANCIAL ASSETS</b>		
Advances recoverable in cash or kind or for value to be received	442.78	409.07
Deposits and Recoverable	4011.11	2147.13
	<b>4453.89</b>	<b>2556.20</b>
<b>10. OTHER CURRENT ASSETS</b>		
Other Assets	708.14	73.17
	<b>708.14</b>	<b>73.17</b>

## 11 :- EQUITY

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs	AS AT 31.03.2019 Rs. in Lacs
<b>SHARE CAPITAL</b>			
<b>AUTHORISED</b>			
35 75 00 000 Equity Shares of Rs. 1/- each		3575.00	3575.00
<b>ISSUED SUBSCRIBED and PAID UP</b>			
Equity Shares of Rs. 1/- each at the beginning of the Year		2738.35	2588.35
Shares Issued during the Year		0.00	150.00
27 38 35 000 Equity Shares of Rs. 1/- each		2738.35	2738.35
<b>TOTAL</b>		<b>2738.35</b>	<b>2738.35</b>

- i) 10,00,00,000 shares fully paid were issued pursuant to the scheme of amalgamation dated 11th of 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<sup>th</sup> June, 2007.
- iii) 5,45,85,000 Shares fully paid were issued pursuant to issue of GDR on 11<sup>th</sup> of January, 2008.
- iv) 17 50 000 shares fully paid were issued pursuant to the scheme of amalgamation dated 18th of 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
- vi) 1,50 00, 000 shares fully paid were preferentially allotted @52 each on 25/07/2018 as per approval received from Bombay Stock Exchange
- vii) 1,01 76, 92 shares Warrants fully Convertible were preferentially allotted @52 each on 22/06/2019 as per approval received from Bombay Stock Exchange. The Company has received 25 % of allotment money in current financial year.

### (I)(b)

Sr. No.	Name of the shareholder	Total shares held -2020		Total shares held -2019	
		Number of shares	As a % of total holding	Number of shares	As a % of total holding
1	Nitin P Khara	23532987	8.59	23532987	8.59
2	Gaspoint Petroleum I Ltd	66387160	24.24	66387160	24.24



12 :- OTHER EQUITY				
PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
<b>Securities Premium Account</b> As per last Balance Sheet		18,099.34		16,878.10
(a)		<b>18,099.34</b>		<b>16,878.10</b>
<b>Capital Subsidy Reserves</b> As per last Balance Sheet		22.50		22.50
(b)		<b>22.50</b>		<b>22.50</b>
<b>General Reserve</b> As per last Balance Sheet		145.24		145.24
(c)		<b>145.24</b>		<b>145.24</b>
<b>Revaluation Reserve</b> As per last Balance Sheet		1050.00		1050.00
(d)		<b>1050.00</b>		<b>1050.00</b>
<b>Share Warrant</b> Share Warrant		101.77		0.00
(e)		<b>101.77</b>		<b>0.00</b>
<b>Surplus in Profit and Loss Account</b> <b>Opening Balance - Profit &amp; Loss Account</b> <b>Add : Profit/Loss for the period</b> Less : Interim Dividend Paid @ 10% /5% in FY 2018-19 & 2017-18 Less : Corporate Dividend Tax on Interim Dividend Less : Corporate Social Responsibility		<b>15982.75</b> 4964.51 0 0 (85.09)		<b>10437.27</b> 5905.85 (273.83) (56.29) (30.25)
(f)		<b>20862.17</b>		<b>15982.75</b>
<b>TOTAL (a+b+c+d+e)</b>		<b>40281.02</b>		<b>34078.59</b>

## 12.FINANCIAL LIABILITIES :

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
1)Term Loans From - Banks		1039.78		869.03
From Corporate		1575.93		1957.16
From SICOM Limited (Interest Free) (Under Deferral Package Scheme of Incentive 1993.		106.12		106.12
<b>TOTAL</b>		<b>2721.83</b>		<b>2932.31</b>

- i) Rs. 0.70 Crs. Are secured with Bank of India, Gandhibag. (Of which Rs. 0.10 Crs 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) Rs. 7.99 Crs. Are secured with the AXIS Bank Ltd. / BMW financial Service/ Kotak Bank/ Merceddez Financial Services (Of which Rs. 1.74 Crs is repayable in within one year) against Vehicles /Generators / Specific Equipments financed and personal guarantee of Shri Nitin Khara

#### 14. OTHER LONG TERM LIABILITIES

PARTICULARS		AS AT 31.03.2020		AS AT 31.03.2019
		Rs. in Lacs		Rs. in Lacs
Deposit Received against Cylinders		9730.30		7450.54
Un -claimed Divided		0		7.47
From Corporate & Others		0		0
<b>TOTAL</b>		<b>9730.30</b>		<b>7458.01</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 :

PARTICULARS		AS AT 31.03.2020		AS AT 31.03.2019
		Rs. in Lacs		Rs. in Lacs
<b>1)Related to Fixed Assets</b>				
Opening Balance		1614.14		1088.59
Additions during the year		325.42		525.55
Closing Balance		1939.56		1614.14
<b>TOTAL</b>		<b>1939.56</b>		<b>1614.14</b>

#### 16. SHORT TERM BORROWINGS :

PARTICULARS		AS AT 31.03.2020		AS AT 31.03.2019
		Rs. in Lacs		Rs. in Lacs
Secured Working Capital Loans from Banks		2940.30		2922.30
Others		67.58		38.31
<b>TOTAL</b>		<b>3007.87</b>		<b>2960.61</b>

- i) Rs.19.94 Crs 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) Rs. 9.46 Crs 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

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
Micro, Small & Medium Enterprises		0		0
Creditors for Goods and Expenses		520.40		1141.19
<b>TOTAL</b>		<b>520.40</b>		<b>1141.19</b>

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

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
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>

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 Rs.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 :

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
Term Loans Instalments Payable within one year		211.25		183.44
<b>TOTAL</b>		<b>211.25</b>		<b>183.44</b>

**19. OTHER CURRENT LIABILITIES :**

PARTICULARS		AS AT 31.03.2020		AS AT 31.03.2019
		Rs. in Lacs		Rs. in Lacs
Other Liabilities		583.50		331.71
<b>TOTAL</b>		<b>583.50</b>		<b>331.71</b>
*Includes Advances from Customers & Statutory dues				

**20. PROVISIONS**

Provision for Expenses		132.36		143.66
<b>TOTAL</b>		<b>132.36</b>		<b>143.66</b>

2020-21 (15.03.2021)

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
<b>21 SALES AND OPERATIONAL INCOME</b>				
Sale of Cylinders /Raw Material/ Project / Scrap/Others		17639.09		24748.44
Sale of Lpg and Auto LPG/ Filling /DPT / Transport Charges		80940.03		62585.96
		<b>98579.12</b>		<b>87334.40</b>
Less : Excise Duty / Service Tax Recovered		0		0
<b>TOTAL</b>		<b>98579.12</b>		<b>87334.40</b>
<b>22 : OTHER INCOME</b>				
Interest Income		197.91		405.73
(TDS on Interest Income Cy. Rs. 554685/- & PY Rs. 242635/)				
Calibraton Income		106.37		0
Dividend Received		9.30		0
Miscellaneous Receipts		66.72		0
Rebates and Discount		0		16.60
<b>TOTAL</b>		<b>380.30</b>		<b>422.33</b>
<b>23</b>				
<b>COST OF GOODS CONSUMED / SOLD</b>				
<b>RAW MATERIAL CONSUMED :</b>				
Opening Stock		657.33		642.99
Add : Purchases		7928.39		15008.74
<b>Less :-</b>				
Discount Received		632.94		446.24
<b>Closing Stock</b>		687.30		657.33
<b>SUBTOTAL (A)</b>		<b>7265.48</b>		<b>14548.16</b>
<b>COMPONENTS / CONSUMABLES CONSUMED :</b>				
Opening Stock*		233.78		228.68
Add : Purchases		9327.47		5499.12
<b>Less :-</b>				
<b>Closing Stock</b>		438.50		233.78
<b>SUBTOTAL (B)</b>		<b>9122.74</b>		<b>5494.02</b>
<b>TOTAL (A+B)</b>		<b>16388.22</b>		<b>20042.18</b>
<b>24</b>				
<b>PURCHASE OF STOCK-IN-TRADE</b>				
<b>LPG CONSUMED :</b>				
Purchases of LPG/Other Materials		57818.30		44697.31
<b>TOTAL</b>		<b>57818.30</b>		<b>44697.31</b>



PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
<b>25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-T</b>				
<b>INCREASE IN STOCKS</b>				
Opening Stock				
Finished Goods		522.49		511.09
Work in Progress		2,451.99		2,398.50
LPG		1,666.60		1,336.79
Scrap		22.22		21.73
<b>SUBTOTAL</b>		<b>4,663.30</b>		<b>4,268.11</b>
<b>LESS :</b>				
<b>Closing Stock</b>				
Finished Goods		531.11		522.49
Work in Progress		1,348.86		2,451.99
LPG		2,186.99		1,666.60
Scrap		23.83		22.21
<b>SUBTOTAL</b>		<b>4,090.79</b>		<b>4,663.29</b>
<b>INCREASE / (DECREASE) IN STOCKS</b>		<b>572.51</b>		<b>(395.18)</b>
<b>26</b>				
<b>EMPLOYEES BENEFITS</b>				
Salary and Wages including PF and Others		4,002.75		2,440.30
Staff and Labour Welfare		36.84		38.70
<b>TOTAL</b>		<b>4,039.59</b>		<b>2,479.00</b>
<b>27. INTEREST AND FINANCIAL CHARGES :</b>				
Interest to Bank on Term Loan		134.64		50.25
Interest to Bank on W/C and others		644.39		660.48
Bank Charges, LC Charges, Mortgage and Registration Charges		118.23		119.56
<b>TOTAL</b>		<b>897.26</b>		<b>830.29</b>
<b>28. OPERATING AND OTHER EXPENSES</b>				
<b>Operating Expenses</b>				
<b>Factory expenses</b>				
- Power and Fuel		621.15		721.42
- Plant Licenses and other Exp.		325.29		292.86
- Carriage Inward		359.18		1,249.45
- Job Work Charges		1,190.86		1,621.78
- Testing and Marking Fees		93.36		58.26
<b>Repair and Maintenance</b>				
- Plant and Machinery		64.62		100.57
- Others		61.11		79.84
<b>Sub total (a)</b>		<b>2,715.57</b>		<b>4,124.18</b>
		<b>AS AT</b>		<b>AS AT</b>

PARTICULARS		31.03.2020		31.03.2019
		Rs. in Lacs		Rs. in Lacs
<b>Administration Expenses</b>				
Rent, Rates and Taxes		1.41		13.26
Printing and Stationery		20.86		8.88
Remuneration to Auditors		6.00		6.00
Rental & Site Expenses		2,344.02		1,619.72
Security Charges		186.58		85.48
Insurance Expenses		46.59		31.21
Carriage Outward		531.85		955.31
Travelling Expenses		275.30		277.43
Remuneration to Directors		150.00		150.00
Miscellaneous Expenses		35.78		48.08
LD Charges		269.53		391.01
Communication Expenses		55.64		41.34
Legal and Professional Charges		338.69		249.67
Filing Fees Roc and others		56.03		47.04
Advertising and Sales Promotion		482.58		752.22
Vehicle Expenses		165.64		50.14
Preliminary Expenses Written off/Amalgamation Exp.W/off		0		0
<b>Sub total (b)</b>		<b>4,966.50</b>		<b>4,726.80</b>
<b>TOTAL (a+b)</b>		<b>7,682.07</b>		<b>8,850.97</b>

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NOTES ON ACCOUNTS

- | 2. Contingent liabilities not provided for:            | 2019-20<br>(Rs.in lacs) | 2018-19<br>(Rs.in lacs) |
|--|-------------------------|-------------------------|
| a) Outstanding Bank Guarantees                         | 722.38                  | 753.21                  |
| b) Counter Guarantee to Bank<br>(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. In the March, 2020 the COVID -19 has accelerated globally resulting sharp decline of demand of LPG in global market resulting drastic fall in Bulk LPG prices globally As Company is procuring Bulk LPG from various sources with a prior monthly commitments, which company has fulfilled. But because of sudden government directives the consumption of LPG (Auto as well as Packed LPG ) came down drastically as hotels / Restaurants / Industries public transport system was completely locked down. The Company has determined the non-cash inventory holding losses in the LPG & Packed LPG businesses due to drastic drop in LPG prices accompanied with unprecedented demand destruction due to Covid-19 the same has been accounted for in accordance with IND As -2 regarding Valuation of Inventories.. The total impact on profitability accounts for 6.5 Crs.
8. 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 Rs. 27.36 Crs. 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. The Competition Commission has further initiated fresh case in FY 2019-20 against company and other cylinder manufactures imposing penalty of Rs. 2.84 Crs against CPIL and Rs. 31 thousand against directors. The company has filed an appeal and is expecting get away as was in earlier case as grounds of case are similar.
9. During the Financial Year Company has acquired a stake in its new Subsidiary Company M/s Suraj Cylinders Private Limited .

**10. 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.

10. Managerial Remuneration :

Managing and Whole-time Directors		Rs. in Lakhs	
Particulars		2019-20	2018-19
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

Sr. No.	Particulars	2019-20	2018-19
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:

a) The **LPG/CNG Cylinder manufacturing segment** includes production and marketing operations of cylinder.

b) The **LPG Bottling & Marketing** segment includes bottling of LPG & supplies for commercial usage.

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**SEGMENTWISE REPORT FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH, 2020**

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019
	Rs. in Lacs	Rs. in Lacs
<b>REVENUE</b>		
- Sale of Cylinder Division	17,639.06	24748.44
- Sale of LPG Trading & Revenue from Refilling Division	80,940.06	62585.96
	<b>98,579.12</b>	<b>87334.40</b>
<b>SEGMENT WISE RESULT</b>		
<b>OPERATING PROFIT</b>		
- Sale of Cylinder Division	974.54	2450.36
- Sale of LPG Trading & Revenue from Refilling Division	11103.89	9209.76
	<b>12078.43</b>	<b>11660.12</b>
Less : Depreciation	(4,942.11)	(2,815.23)
Less : Finance Cost	(897.26)	(830.29)
<b>Add : Other Income</b>	<b>380.30</b>	<b>422.32</b>
<b>Profit Before Tax</b>	<b>6,619.35</b>	<b>8,436.92</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.

**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 Energtek 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

Shri Nitin Khara	-	Managing Director
Shri Elesh Khara	-	Executive Director & CFO
Mrs. Mansi Deogokar	-	Women Independent Director
Shri Sumant Sutaria	-	Independent Director
Shri Vaibhav Dedhia	-	Independent Director
Miss 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

(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 Rs.)
1.	Key Management Personnel	Directors Remuneration	150 Lacs
2.	Sneha Petroleum	Purchases	9225.06 Lacs
3.	Gaspoint Bottling India Ltd	Purchases	642.62 Lacs
4.	Papusha Gases Pvt Ltd	Sales	1366.09 Lacs
5.	North East Cylinders	Sales	100.02 Lacs
6.	Blue flames Industries Pvt Ltd	Sales	99.12 Lacs
7.	Hemkunt Petroleum	Sales	38.25 Lacs
8.	Confidence Futuristic P Ltd	Purchases	668.80 Lacs

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

Particulars		2019-20	2018-19
		Amount (Rs.in lacs)	Amount (Rs.in lacs)
	I) Salaries & Allowances	150.00	150.00

Particulars		2019-20	2018-19
		Amount (Rs.in lacs)	Amount (Rs.in lacs)
<b>16</b>	<b>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 narratives discussed in paragraph 3(1) (a) of general Instructions Schedule III of the Companies Act, 2013 (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.	144194 Mts. ( 101609 Mts.)
LPG /CNG Cylinders Manufacturing	Nos.	N.A.	27,44,000	918061 Nos. (1565118 Nos.)

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

Class of Products	Units	Turnover		Closing Stock		Opening Stock	
		Qty.	Amount Rs. in Lacs	Qty.	Amount Rs. in Lacs	Qty.	Amount Rs. in Lacs
<b>Finished Goods</b>							
LPG/CNG Cylinders	No.	922180	16321	0	531	46325	522
		(1563625)	(22866)	(46325)	(522)	(44832)	(511)
LPG Gas	MT	140769	77341	7170	2187	46325	1667
		(101041)	(57867)	(46325)	(1667)	(44832)	(1337)
Scrap	MT	4834	1318	0	24	46325	22
		(8192)	(1883)	(46325)	(22)	(44832)	(22)
<b>TOTAL</b>			94980		2742		2211
			(82616)		(2211)		(1870)

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

D.	VALUE OF IMPORTED/INDIGENOUS RAW MATERIAL CONSUMED	Amount (Rs.in Crs)	%
	I) Indigenous	163.88 (200.42)	100.00 (100.00)
S	II) Imported	Nil	Nil
		Nil	Nil

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

F.	REMITTANCES IN FOREIGN CURRENCY	309.05
		(517.90)

G.	EXPENDITURE IN FOREIGN CURRENCY	517.90
----	---------------------------------	--------

	(517.90)
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<b>H.</b>	<b>EARNING IN FOREIGN CURRENCY</b>	<b>717.18</b>
		(88.07)
		)

<b>I.</b>	<b>VALUE OF IMPORTS ON CIF BASIS</b>	<b>309.05</b>
		(22.94)
		)

**Note :**

Particulars	2019-20 Rs. In Lacs	2018-19 Rs. In Lacs
For Purchase of LPG (High Seas Purchases Payment made in INR)	<b>11622.62</b>	11295.98
For Purchase of LPG Dispensers / Other Material	<b>309.05</b>	517.90
Received against Investment in Equity of Foreign Subsidiary (PT Surya Go Gas, Indonesia) (Return on investment received)	(73.35)	(88.07)
Received against Export of Cylinders	643.84	0

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 attached**

**For AKHIL RATHI & CO.**  
**Chartered Accountants**

**For GANESH ADUKIA & ASS.**  
**Chartered Accountants**

**For and On Behalf of Board**

**Akhil Rathi**  
**Proprietor**  
**M. No. 154788**  
**(FRN: 136954W)**

**Ganesh Adukia**  
**Proprietor**  
**M. No. 169737**  
**(FRN: 142238W)**

**Nitin Khara**  
**(Managing Director)**  
**(DIN: 01670977)**

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

**Vaibhav Dedhia**  
**(Director)**  
**(DIN: 08068912)**

**Priti Bhabra**  
**(Company Secretary)**  
**(M.No 52365)**

**Place : Nagpur / Date 19<sup>th</sup> June-2020**

## CONFIDENCE PETROLEUM INDIA LIMITED

### Auditor's Report on Consolidated Financial Results of The Confidence Petroleum India Limited 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<sup>st</sup> March, 2020**, 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 Rs. 130.18 Cr and Net Profit / Loss of Rs. 7.78 Crs included in consolidated year to date results and Consolidated the same on the basis of un audited financial statements as on 31<sup>st</sup> 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<sup>st</sup> March, 2020

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

**For Ganesh Adukia & Associates**  
**Chartered Accountants**

**Akhil Rathi**  
**Proprietor**  
**M. No. 154788**  
**FRN : 136954W**

**Ganesh Adukia**  
**Proprietor**  
**M. No. 169737**  
**FRN : 142238W**

**Date : 19/06/2020**

**Place : Nagpur**



# CONFIDENCE PETROLEUM INDIA LIMITED

Consolidated Statement of Assets and Liabilities as at 31st March, 202

Particulars	Notes	AS AT 31.03.2020	AS AT 31.03.2019
<b>ASSETS</b>		<b>(Figures Rs in Lacs)</b>	<b>(Figures Rs in Lacs)</b>
<b>Non-current assets</b>			
Property, plant and equipment	1	36,919.46	35,567.69
Capital work-in-progress	1	3,911.31	1,963.56
Investments in subsidiaries, associates and joint ventures	2	1,603.52	1,468.45
Loans	3	4,504.89	2,340.35
<b>Other non-current assets</b>	4	865.90	569.80
<b>Sub-total - Non-Current Assets</b>		<b>47,805.08</b>	<b>41,909.85</b>
<b>Current assets</b>			
<b>Inventories</b>	5	7,383.01	7,676.30
Investments (Current)	6	-	1,462.97
Trade receivables	7	7,605.41	5,768.64
Cash and cash equivalents	8	169.84	430.54
Bank balances other than Cash and			
Cash equivalents above	8	1,894.86	1,759.31
Other financial assets	9	4,828.19	2,798.50
<b>Other current assets</b>	10	811.04	184.88
<b>Sub-total - Current Assets</b>		<b>22,692.36</b>	<b>20,081.14</b>
<b>TOTAL – ASSETS</b>		<b>70,497.44</b>	<b>61,991.00</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	11	2,738.35	2,738.35
Other equity	12	42,025.69	36,456.65
<b>Sub-total – Equity funds</b>		<b>44,764.04</b>	<b>39,195.00</b>
Non Controlling Interest	12	2,133.91	2,117.27
<b>Net Equity</b>		<b>46,897.95</b>	<b>41,312.27</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities / Financial liabilities</b>			
Borrowings	13	3,446.88	3,700.76
Other financial liabilities	14	10,951.72	8,512.72
Deferred Tax Liability (Net)	15	1,995.87	1,670.09
<b>Sub-total - Non-current Liabilities</b>		<b>16,394.47</b>	<b>13,883.57</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	16	3,608.99	3,770.50
Trade payables	17	2,441.33	2,167.82
Other Financial liabilities	18	226.96	183.44
Other current liabilities	19	701.34	446.42
Provisions	20	226.40	227.01
<b>Sub-total - Current liabilities</b>		<b>7,205.02</b>	<b>6,795.17</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>70,497.44</b>	<b>61,991.00</b>

Significant Accounting Policies & Notes to Accounts 20 / As per our Report on Even Date

For AKHIL RATHI & CO.  
Chartered Accountants

For GANESH ADUKIA & ASS.  
Chartered Accountants

For and On Behalf of Board

Akhil Rathi  
Proprietor

M. No. 154788  
(FRN: 136954W)

Ganesh Adukia  
Proprietor

M. No. 169737  
(FRN: 142238W)

Nitin Khara  
(Managing Director)  
(DIN: 01670977)

Elesh Khara  
(Director & CFO)  
(DIN: 01765620)

Vaibhav Dedhia  
(Director)  
(DIN: 08068912)

Priti Bhabra  
(Company Secretary)  
(M.No 52365)

Place : Nagpur / Date 19<sup>th</sup> June-2020

# CONFIDENCE PETROLEUM INDIA LIMITED

Consolidated Profit and Loss statement for the year ended 31st March, 2020

Particulars	Notes	AS AT 31.03.2020	AS AT 31.03.2019
		(Figures Rs in Lacs)	(Figures Rs in Lacs)
I. Revenue from operations	21	107,777.51	100,453.00
II. Other Income	22	430.35	467.34
III. Total Revenue (I +II)		<b>108,207.86</b>	<b>100,920.34</b>
IV. Expenses:			
Cost of materials consumed	23	33,583.63	28,675.39
Purchase of Stock-in-Trade	24	47,477.37	45,983.02
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	664.27	(560.02)
Employee benefit expense	26	4,550.62	3,295.63
Financial costs	27	1,160.81	1,091.84
Depreciation /amortization and Depletion expense	01	5,120.87	2,979.53
Other expenses	28	8,841.53	10,413.30
Total Expenses		<b>101,399.10</b>	<b>91,878.69</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	<b>6,808.76</b>	<b>9,041.65</b>
VI. Exceptional Items			
VII. Profit before extraordinary items and tax (V - VI)			
VIII. Extraordinary Items			
IX. Profit before tax (VII - VIII)		<b>6,808.76</b>	<b>9,041.65</b>
X. Tax expense:			
(1) Current tax		1,370.74	2,075.07
(2) Deferred tax		326.14	532.60
XI. Profit(Loss) for the period from continuing operations		<b>5,111.87</b>	<b>6,433.98</b>
XV.I Profit from Associates		133.53	249.90
XII. Profit/(Loss) from discontinuing operations			
XIII. Tax expense of discounting operations			
XIV. Profit/(Loss) from Discontinuing operations (XII -			
XV. Profit/(Loss) for the period (XI + XIV)		<b>5,245.40</b>	<b>6,683.88</b>
XVI Minority Interest		<b>4.11</b>	3.60
XVII. Profit/(Loss) for the period (XI - XIV)		<b>5,241.29</b>	<b>6,680.27</b>
XVI. Earning per equity share:			
(1) Basic		<b>1.91</b>	<b>2.44</b>
(2) Diluted		<b>1.85</b>	<b>2.44</b>

Significant Accounting Policies and Notes to Accounts Schedule

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As per our Report of even date

For AKHIL RATHI & CO.  
Chartered Accountants

For GANESH ADUKIA & ASS.  
Chartered Accountants

For and On Behalf of Board

Akhil Rathi  
Proprietor  
M. No. 154788  
(FRN: 136954W)

Ganesh Adukia  
Proprietor  
M. No. 169737  
(FRN: 142238W)

Nitin Khara  
(Managing Director)  
(DIN: 01670977)

Elesh Khara  
(Director &CFO)  
(DIN: 01765620)

Vaibhav Dedhia Priti Bhabra  
(Director) (Company Secretary)  
(DIN: 08068912) (M.No 52365)

Place : Nagpur / Date 19<sup>th</sup> June-2020

# CONFIDENCE PETROLEUM INDIA LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(Figures Rs in Lacs)</b>	<b>(Figures Rs in Lacs)</b>
Profit before taxation	6807.14	9041.64
Less : Minority Interest in Profits	4.11	(3.60)
	<b>6803.14</b>	<b>9038.04</b>
Depreciation	5120.87	2979.54
Misc. Expenditure W/off	5.75	5.75
Interest/Other Income	(323.26)	(406.12)
Interest Expenses	1160.81	1189.47
<b>Operating Profit before Working Capital Changes</b>	<b>12767.31</b>	<b>12806.67</b>
Decrease / (Increase) in Trade & Other Receivables	(4492.63)	449.19
Decrease / (Increase) in Inventories	293.29	(1536.22)
Increase / (Decrease) in Current Liabilities	(248.32)	(2286.11)
<b>Cash Generated from Operations</b>	<b>8319.65</b>	<b>9433.54</b>
<b>Less : Income Tax Paid</b>	<b>1696.88</b>	<b>2607.67</b>
<b>Net Cash Generated from Operating Activities</b>	<b>6627.77</b>	<b>6825.87</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure	(8420.38)	(13865.34)
Investment in Bonds	1462.97	(1462.97)
Interest / dividend Income	323.26	406.12
Movement in Loans & Advances	(2060.64)	319.42
Profit / (Loss) from Subsidiary Investment	(28.97)	(379.89)
Investment in Subsidiaries	(535.22)	(188.02)
<b>Net Cash Used in Investing Activities</b>	<b>(9258.98)</b>	<b>(15160.68)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Fresh Equity Shares Raised	1323.00	8043.02
Dividend Paid / Corporate Social Responsibility	0	(360.37)
Repayment of Long Term Borrowing	2349.43	2246.89
Interest Expenses	(1160.81)	(1189.47)
<b>Net Cash Used in Financing Activities</b>	<b>2511.62</b>	<b>8740.08</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(124.59)</b>	<b>405.26</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT THE BEGINNING OF YEAR</b>	<b>2189.85</b>	<b>1784.58</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT END OF THE YEAR</b>	<b>2065.26</b>	<b>2189.85</b>

### Note

1. Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (IN "Statement of Cash Flow".

2 None of the company has ceased to exist as subsidiary and 5 new company with past track records have entered in conso 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 view of cash flows pertaining to current year.

As per our Report of even date

For AKHIL RATHI & CO.  
Chartered Accountants

For GANESH ADUKIA & ASS.  
Chartered Accountants

For and On Behalf of Board

Akhil Rathi  
Proprietor  
Secretary)

Ganesh Adukia  
Proprietor  
(Managing Director)

Elesh Khara  
(Director & CFO)  
Vaibhav Dedhia  
(Director)  
Priti Bhabra  
(Company

M. No. 154788  
(FRN: 136954W)

M. No. 169737  
(FRN: 142238W)

(DIN: 01670977)

(DIN: 01765620) (DIN: 08068912) (M.No 52365)

Place : Nagpur / Date 19<sup>th</sup> June-2020

## 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 Parellel 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.

#### Current / Non-current classification:

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

- (i) it is expected to be realised 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 realised 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, 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 capitalised 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 recognised 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 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. B200
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.

## 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.

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 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 set by the Managing Board.

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

## **Ageing of Account Receivables**

(Figures Rs in Lacs)

Particulars		AS AT 31.03.2020	AS AT 31.03.2019
Debts Outstanding for a period exceeding six months		198.26	200.66
Others		7,407.16	5,567.98
<b>Total</b>		<b>7,605.41</b>	<b>5,768.64</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:

(Figures Rs in Lacs)

Particulars		AS AT 31.03.2020	AS AT 31.03.2019
Net Debt		18,234.55	16,167.42
Total Equity		<b>46,897.95</b>	<b>41,312.27</b>
Debt / Equity		0.39	0.39

## Dividend

The company has paid dividends. Details of dividend paid are

(Figures Rs in Lacs)

Particulars		AS AT 31.03.2020	AS AT 31.03.2019
Interim Dividend Paid		0.00	273.84
Corporate Tax on Dividend		0.00	56.29

## Earning Per Share ( EPS )

(Figures Rs in Lacs)

Particulars		AS AT 31.03.2020	AS AT 31.03.2019
Net Profit After Tax		<b>5,111.87</b>	<b>6,433.27</b>
Weighted Average No of Shares		2738.35	2738.35
Nominal Value of Shares		<b>1.00</b>	1.00
Basic Earnings per share		<b>1.91</b>	<b>2.44</b>
Diluted Earnings per share		<b>1.85</b>	<b>2.44</b>

## 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.

**Rs. In Lacs**

Particulars	As at 31st March 2020			As at 31st March 2019		
	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</b>						
<b>At amortized Cost</b>						
Investment	1603.52	-	-	1468.45	-	-
Trade Receivable	7605.41	-	-	5768.64	-	-
Cash & Cash Equivalent	2064.71	-	-	2189.85	-	-
<b>At FVTPL</b>						
Investment	-	-	-	1462.97	-	-
Other financial Assets		-	-		-	-
<b>At FVTOCI</b>						
Investment						
Financial Liabilities		-	-		-	-
Borrowings	3835.95	-	-	3153.94	-	-
Trade Payable	2441.33	-	-	2167.82	-	-
Other Financial Liabilities including other Payable	927.74	-	-	673.40	-	-

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 April 1, 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 April 1, 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 April 1, 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 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, Curtailment 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

ANNUAL IMPROVEMENTS TO IND AS (2018)

CONFIDENCE PETROLEUM INDIA LIMITED

NOTES FORMING PART OF CONSOLIDATED PROFIT & LOSS ACCOUNT AND BALANCE SHEET AS ON 31.3.2020

NOTES' 11 ' CONSOLIDATED PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS

(Figures Rs. in Lacs)

		ASSETS				DEPRECIATION					NET BLOCK	
							During the				AS ON	
Block Head	Useful Life	Opening Balance	Addition 19-20	Sale/Adj	Total Value	Upto 31/03/2020	On Assets whosed Life has Expired	Other Assets	Sale/Adj	Upto 31/03/2019	31.03.20	31.03.19
LAND	NA	3,308.38	70.95	-	3,379.33	-	-	-	-	-	3,379.33	3,308.38
LEASE HOLD LAND	30	603.74	-	-	603.74	354.51	-	24.17	-	378.68	225.06	249.23
OFFICE BUILDING	60	544.21	-	-	544.21	74.89	-	23.89	-	98.78	445.43	469.32
FACTORY BUILDING	30	13,591.23	934.84	18.94	14,507.12	4,935.81	-	777.15	-	5,712.96	8,794.16	8,655.41
PLANT AND MACHINERY	15	30,486.61	2,067.49	212.86	32,341.25	13,853.19	-	2,311.30	-	16,164.48	16,176.77	16,633.43
ELECTRICAL INSTALLATIO	10	1,594.99	6.32	-	1,601.31	918.17	-	2.94	-	921.10	680.20	676.82
VEHICLE	8	726.71	-	-	726.71	474.92	-	93.24	-	568.16	158.55	251.78
HEAVY VEHICLE	8	1,817.02	647.86	-	2,464.88	712.14	-	447.54	-	1,159.68	1,305.21	1,104.88
FURNITURE & FIXTURES	10	174.45	4.28	-	178.73	156.01	-	3.21	-	159.22	19.51	18.44
COMPUTER	3	279.56	43.43	-	322.98	207.95	-	44.69	-	252.64	70.34	71.61
OFFICE EQUIPMENT	10	100.82	5.17	0.11	105.89	62.17	-	4.20	-	66.37	39.51	38.65
CYLINDERS	10	7,713.80	2,924.20	-	10,637.99	3,624.05	-	1,388.55	-	5,012.60	5,625.39	4,089.75
<b>TOTAL</b>		<b>60,941.51</b>	<b>6,704.54</b>	<b>231.90</b>	<b>67,414.15</b>	<b>25,373.82</b>	-	<b>5,120.87</b>	-	<b>30,494.68</b>	<b>36,919.46</b>	<b>35,567.69</b>
WIP Project		1,963.56	12,959.70	11,011.95	3,911.31	-	-	-	-	-	3,911.31	1,963.56
<b>TOTAL</b>		<b>62,905.07</b>	<b>19,664.24</b>	<b>11,243.86</b>	<b>71,325.46</b>	<b>25,373.82</b>	-	<b>5,120.87</b>	-	<b>30,494.68</b>	<b>40,830.77</b>	<b>37,531.26</b>

**CONFIDENCE PETROLEUM INDIA LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

PARTICULARS		AS AT 31.03.2020  Rs. in Lacs		AS AT 31.03.2019  Rs. in Lacs
<b>2. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES</b>				
National Saving Certificate		0.17		0.17
Shares of Co-operative Bank		13.26		13.26
- Investment in Partnership Business of M/s Bangalore Go Gas		12.50		12.50
- Investment in Partnership Business of M/s Sneha Petroleum, Bangalore		272.55		272.55
- Investment in Partnership Business of M/s North East Cylinders		50.00		50.00
- Investment in Indian Auto Gas Ltd.		228.63		2.25
- Investment in Garg Distilleries Pvt. Ltd.		186.12		186.12
- Shares in Other Companies		1,418.76		0.00
- Investment in UMA LPG Bottling Pvt. Ltd.		40.00		0.00
- Investment in Karad Mechant Bank		0.10		0.10
-Investments in Quoted Mutual Fund		10.00		10.00
-Investments in Unquoted Mutual Fund		219.10		21.10
-Investments in Unquoted Shares		-		198.00
(a)		<b>2,411.19</b>		<b>766.05</b>
<b>In Equity Shares of Subsidiaries</b>	<b>Face Value</b>			
-100% holding in Shares of Hemkunt Petroleum Ltd	10	12.30		12.30
-100% holding in Shares of Taraa LPG Bottling Pvt. Ltd	100	1.00		1.00
-100% holding in Shares of Agwan Coach Pvt. Ltd.	10	10.00		10.00
- 100% holding in Shares of Gaspoint Bottling Pvt. Ltd.	10	98.00		98.00
-100% holding in Shares of Confidence Go Gas Ltd.	100	5.00		5.00
-100% holding in Shares of Keppy Infrastructure Developers Pvt. Ltd.	10	1.00		1.00
-100% holding in Shares of Unity Cylinders Equipmnt P Lt d	10	1.00		1.00
-100% holding in Shares of Confidence Technologies Pvt. Ltd.	10	1.00		1.00
-100% holding in Shares of SV Engineering Pvt. Ltd.	10	481.88		481.88
-100% holding in Shares of UMA LPG Bottling Pvt. Ltd.		40.00		0.00
- 50% holding in Shares of Chhatisgarh Gaspoint Bottling Pvt. Ltd.	10	39.00		39.00
- 50% holding in Shares of Nine Infra Projects Pvt. Ltd.	10	2.50		2.50
- 50% holding in Shares of Blue flame Industries Pvt. Ltd.	10	133.50		133.50
- 50% holding in Shares of Papusha Gases Pvt Ltd	10	0.50		0.50
- 50% holding in Shares of Jaypore Blueflames Pvt. Ltd.	10	0.50		0.50
- 50% holding in Shares of Suraj Cylinders Pvt. Ltd.	10	21.34		10.25
- 50% holding in Shares of Confidence Futuristic Infra Ltd.	10	229.83		229.83
(b)		<b>1,078.35</b>		<b>1,027.26</b>

PARTICULARS		AS AT	AS AT
		31.03.2020	31.03.2019
		Rs. in Lacs	Rs. in Lacs
<b>In Joint Venture</b>			
- 70% holding in Investment In Pt Surya Go Gas Indonesia		1,613.61	1,613.61
-50% holding in Partnership Business of M/s Deshmukh Go Gas		1.50	1.50
-50% holding in Partnership Business of M/s Kaveri Go Gas		0.80	0.80
-50% holding in Partnership Business of M/s Mahendra Go Gas		5.36	5.36
-50% holding in Partnership Business of M/s Sagle Go Gas		2.00	2.00
-50% holding in Partnership Business of M/s Shirdhan Go Gas		1.50	1.50
-50% holding in Partnership Business of M/s Shri Gajanan Go Gas		26.07	26.07
-50% holding in Partnership Business of M/s Surya Go Gas		2.00	2.00
-50% holding in Partnership Business of Bangalore Go Gas		23.52	23.52
-50% holding in Partnership Business of Smart Go Gas		7.00	7.00
-50% holding in Partnership Business of Neha Go Gas		26.90	26.90
-50% holding in Partnership Business of KR Go Gas		4.00	4.00
-50% holding in Partnership Business of Sai Balaji Go Gas		27.89	27.89
-50% holding in Partnership Business of Aishwarya Go Gas		1.00	1.00
-50% holding in Partnership Business of Manas Go Gas		0.35	0.35
-50% holding in Partnership Business of Sarvam Enterprise		7.50	7.50
-50% holding in Partnership Business of Surbhi Go Gas		1.00	1.00
-50% holding in Partnership Business of NR GO Gas Corp		15.00	15.00
-50% holding in Partnership Business of Fast GO Gas LLP		12.63	12.63
-profit from share jodo			
-Investment in PT Indo Go Gas Andalan Kita Indonesia		130.93	130.93
-Investment in PT.Patra Trading Depot Cikkanpek			
	(c)	<b>1,910.56</b>	<b>1,910.55</b>
<b>TOTAL (a+b+c)</b>		<b>5,400.10</b>	<b>3,703.87</b>
s : Investment in Subsidiaries for which shares has been issued		3,796.58	2,235.42
<b>Net Investments</b>		<b>1,603.52</b>	<b>1,468.45</b>
<b>3</b>			
<b>LOANS / ADVANCES GIVEN:</b>			
Advances Given		148.59	203.86
Deposits and Recoverable		4,356.30	2,136.49
<b>TOTAL</b>		<b>4,504.89</b>	<b>2,340.35</b>
<b>4</b>			
<b>OTHER NON CURRENT ASSETS</b>			
Advance Payment of Taxes		865.90	569.80
		<b>865.90</b>	<b>569.80</b>



PARTICULARS	AS AT 31.03.2020 Rs. in Lacs	AS AT 31.03.2019 Rs. in Lacs
<b>CURRENT ASSETS</b>		
<b>5. INVENTORIES</b>		
<b>At Lower of Cost or Net Realizable Value (As Valued, Verified &amp; certified by the Management)</b>		
- Raw Materials	1,300.80	1,262.95
- Work in Progress	1,884.80	2,954.58
- Finished Goods	744.11	767.37
Components	154.58	125.95
Consumables	152.27	147.78
Stores and Spares	248.55	29.21
LPG	2,653.24	2,341.44
Scrap	46.76	44.85
Gas Stoves	196.68	-
Loose Tools	1.22	2.17
<b>TOTAL</b>	<b>7,383.01</b>	<b>7,676.30</b>
<b>Refer Note 4 on regarding COVID 19 impacts on Inventories</b>		
<b>6. INVESTMENTS:</b>		
Short Term Investment in LIC Housing Finance	0.00	1462.97
<b>TOTAL</b>	<b>0.00</b>	<b>1462.97</b>
<b>1. TRADE RECEIVABLES</b>		
Receivables (Unsecured, considered good)		
Due for above 180 days	198.26	200.66
Receivables from related parties (refer note 29 point no. 14)	7,407.16	5,567.98
<b>TOTAL</b>	<b>7,605.42</b>	<b>5,768.64</b>
<b>2. CASH AND CASH EQUIVALENTS</b>		
Cash in Hand (Refer to Note No. 13 of Notes to accounts in Schedule 27)	169.84	430.54
	<b>169.84</b>	<b>430.54</b>
<b>Balances With Banks :</b>		
In Current Account	868.84	599.35
<b>In Fixed Deposit Account</b>		
Fixed Deposit Account Without Lien	1,026.03	1,159.96
F.D.R. (Against L/C B/G Margin Money /Others)		
	<b>1,894.87</b>	<b>1,759.31</b>
<b>Total Cash &amp; Bank Balance</b>	<b>2,064.71</b>	<b>2,189.85</b>
<b>(Balance in current account includes Rs. 421594/- as unclaimed Divided for financial Year 2018-19)</b>		
<b>1. OTHER FINANCIAL ASSETS</b>		
Advances recoverable in cash or kind or for value to be received	459.36	221.78
Deposits and Recoverable	4,368.83	2,576.72
	<b>4,828.19</b>	<b>2,798.50</b>
<b>10. OTHER CURRENT ASSETS</b>		
Miscellaneous Expenditure (To the extent not Written off or adjusted )	11.50	17.25
Less : Written off during the year	(5.75)	(5.75)
Other Current Assets	805.29	173.38
	<b>811.04</b>	<b>184.88</b>

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
<b>11- : EQUITY</b>				
<b>SHARE CAPITAL</b>				
<b>AUTHORISED</b>				
35 75 00 000 Equity Shares of Rs. 1/- each		3575.00		3575.00
<b>ISSUED SUBSCRIBED and PAID UP</b>				
Equity Shares of Rs. 1/- each at the beginning of the Year		2738.35		2588.35
Shares Issued during the Year		0.00		150.00
27 38 35 000 Equity Shares of Rs. 1/- each		2738.35		2738.35
<b>TOTAL</b>		<b>2738.35</b>		<b>2738.35</b>

- i) 10,00,00,000 shares fully paid were issued pursuant to the scheme of amalgamation dated 11th of 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<sup>th</sup> June, 2007.
- iii) 5,45,85,000 Shares fully paid were issued pursuant to issue of GDR on 11<sup>th</sup> of January, 2008.
- iv) 17 50 000 shares fully paid were issued pursuant to the scheme of amalgamation dated 18th of 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
- vi) 1,50 00, 000 shares fully paid were preferentially allotted @52 each on 25/07/2018 as per approval received from Bombay Stock Exchange
- vii) 1,01 76, 92 shares Warrants fully Convertible were preferentially allotted @52 each on 22/06/2019 as per approval received from Bombay Stock Exchange. The Company has received 25 % of allotment money in current financial year.

**(I)(b)**

**Details of Shares Holders holding more than 5%**

Sr. No.	Name of the shareholder	Total shares held -2020		Total shares held -2019	
		Number of shares	As a % of total holding	Number of shares	As a % of total holding
1	Nitin P Khara	23532987	8.59	23532987	8.59
2	Gaspoint Petroleum I Ltd	66387160	24.24	66387160	24.24

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
<b>12- : OTHER EQUITY</b>				
<b>Securities Premium Account</b>				
As per last Balance Sheet		18451.42		17271.13
(a)		<b>18451.42</b>		<b>17271.13</b>
<b>Capital Subsidy Reserves</b>				
As per last Balance Sheet		29.50		29.50
(b)		<b>29.50</b>		<b>29.50</b>

<b>General Reserve</b>				
As per last Balance Sheet		145.24		145.24
(c)		<b>145.24</b>		<b>145.24</b>
<b>Revaluation Reserve</b>				
As per last Balance Sheet		1,032.39		1032.39
(d)		<b>1,032.39</b>		<b>1032.39</b>
<b>Share Warrant</b>				
Share Warrant		101.77		0.00
(e)		<b>101.77</b>		<b>0.00</b>
<b>Surplus in Profit and Loss Account</b>				
As per account annexed		23,415.47		19590.22
(f)		<b>23,415.47</b>		<b>19590.22</b>
Less : Interim Dividend Paid @ 10% /5% in FY 2018-19 & 2017-18		0.00		(273.84)
Less : Corporate Dividend Tax on Interim Dividend		0.00		(56.29)
Less : Corporate Social Responsibility		(85.09)		(30.25)
(g)		<b>43090.70</b>		<b>37708.10</b>
<b>TOTAL (a+b+c+d+e+f+g)</b>				
Less : Non-Controlling Interest		1065.01		1251.45
<b>Net Total</b>		<b>42025.69</b>		<b>36456.65</b>

<b>NON CONTROLLING INTEREST:</b>				
Interest in Capital		1068.90		865.82
Interest in Profits		1065.01		1251.45
(a)		<b>2133.91</b>		<b>2117.27</b>

<b>1. FINANCIAL LIABILITIES :</b>				
1)Term Loans From - Banks		1757.33		1637.48
From Corporates		1583.43		1957.16
From SICOM Limited (Interest Free) (Under Deferral Package Scheme of Incentive 1993.		106.12		106.12
<b>TOTAL</b>		<b>3446.88</b>		<b>3700.76</b>

- i) Rs. 0.80 Crs. Are secured with Bank of India, Gandhibag. (Of which Rs. 0.10 Crs 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) Rs. 10.89 Crs. Are secured with the AXIS Bank Ltd. / BMW financial Service/ Kotak Bank/ Merceddez Financial Services (Of which Rs. 1.74 Crs is repayable in within one year)against Vehicles /Generators / Specific Equipments financed and personal guarantee of Shri Nitin Khara
- iii) Rs. 2.04 Crs. 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) Rs. 3.04 Crs. Are secured with the Allahabad Bank Ltd and Pvt Finance. Against Land Building Plant & Machinery located at Silliguri against Vehicles /Generators / Specific Equipments financed and personal guarantee of Shri Nitin Khara

#### 14. OTHER LONG TERM LIABILITIES

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
Deposit Received against Cylinders		10693.03		8505.24
Un -claimed Divided		0.00		7.47
From Others		0.00		0.00
From Corporate		258.68		0.00
<b>TOTAL</b>		<b>10951.72</b>		<b>8512.71</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 :

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
<b>1)Related to Fixed Assets</b>				
Opening Balance		1670.09		1133.24
Add : Opening Deferred Tax of New Companies		0.00		4.25
<b>Revised Opening Balance</b>		<b>1670.09</b>		<b>1137.49</b>
Additions during the year		326.14		532.60
Less Used during the year		0.36		0.00
Closing Balance		1995.87		1670.09
<b>TOTAL</b>		<b>1995.87</b>		<b>1670.09</b>

#### 16. SHORT TERM BORROWINGS :

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
1)Secured Working Capital Loans from Banks &		3418.98		3769.54
2)Other Loans		190.01		0.96
<b>TOTAL</b>		<b>3608.99</b>		<b>3770.50</b>

- i) Rs.19.68 Crs 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) Rs. 10.29 Crs 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) Rs. 1.24 Crs 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) Rs. 6.48 Crs 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

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
Micro, Small & Medium Enterprises		2441.33		2167.82
Creditors for Goods and Expenses				
<b>TOTAL</b>		<b>2441.33</b>		<b>2167.82</b>

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

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
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 Rs.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.

PARTICULARS		AS AT 31.03.2020 Rs. in Lacs		AS AT 31.03.2019 Rs. in Lacs
<b>18 OTHER FINANCIAL LIABILITIES :</b>				
Term Loans Instalments Payable within one year		226.96		183.44
<b>TOTAL</b>		<b>226.96</b>		<b>183.44</b>
<b>19.OTHER CURRENT LIABILITIES :</b>				
Other Liabilities		701.34		446.42
<b>TOTAL</b>		<b>701.34</b>		<b>446.42</b>
*Includes Advances from Customers & Statutory dues				
<b>20. PROVISIONS</b>				
Provision for Expenses		226.40		227.01
<b>TOTAL</b>		<b>226.40</b>		<b>227.01</b>



PARTICULARS	AS AT 31.03.2020 Rs. in Lacs	AS AT 31.03.2019 Rs. in Lacs
<b>21 SALES AND OPERATIONAL INCOME</b>		
Sale of Cylinders /Raw Material/ Project / Scrap/Others	26900.12	35390.16
Sale of LPG and Auto LPG/ Filling /DPT / Transport Charges	80877.39	65062.84
	<b>107777.51</b>	<b>100453.00</b>
Less : Excise Duty / Service Tax Recovered		
<b>TOTAL</b>	<b>107777.51</b>	<b>100453.00</b>
<b>22 : OTHER INCOME</b>		
Interest Income	207.59	406.12
Calibration Income	106.37	0
Dividend Received	9.30	0.00
Miscellaneous Receipts	107.09	48.18
Rebates and Discount	0.00	13.04
<b>TOTAL</b>	<b>430.35</b>	<b>467.34</b>
<b>23</b>		
<b>COST OF GOODS CONSUMED / SOLD</b>		
<b>RAW MATERIAL CONSUMED :</b>		
Opening Stock	1134.45	838.96
Add : Opening Stock of new Companies added	0.00	129.46
Revised Opening Stock	1134.45	968.42
Add : Purchases	16350.76	23254.97
<b>Less :-</b>		
Discount Received	742.99	508.42
<b>Closing Stock</b>	1363.97	1134.45
<b>SUBTOTAL (A)</b>	<b>15378.25</b>	<b>22580.52</b>
<b>COMPONENTS / CONSUMABLES CONSUMED :</b>		
Opening Stock	286.89	257.94
Add : Opening Stock of new Companies added	0.00	8.52
Revised Opening Stock	286.89	266.46
Add : Purchases	18410.57	6115.30
<b>Less :-</b>		
<b>Closing Stock</b>	492.08	286.89
<b>SUBTOTAL (B)</b>	<b>18205.38</b>	<b>6094.87</b>
<b>TOTAL (A+B)</b>	<b>33,583.63</b>	<b>28,675.39</b>
<b>24</b>		
<b>PURCHASE OF STOCK-IN-TRADE</b>		
<b>LPG CONSUMED :</b>		
Purchases of LPG/Other Materials	47477.37	45983.02
<b>TOTAL</b>	<b>47477.37</b>	<b>45983.02</b>

PARTICULARS	AS AT 31.03.2020 Rs. in Lacs	AS AT 31.03.2019 Rs. in Lacs
<b>25</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-T</b>		
<b>INCREASE IN STOCKS</b>		
<b>Opening Stock</b>		
Finished Goods	758.23	744.15
Work in Progress	2849.25	2754.72
LPG	2340.80	1488.62
Scrap	44.84	53.60
<b>SUBTOTAL</b>	<b>5993.12</b>	<b>5041.09</b>
<b>Add /( Less )Opening Stock of New Company Added</b>	0.00	392.02
<b>Revised Opening Stock</b>	<b>5993.12</b>	<b>5433.11</b>
<b>LESS :</b>		
<b>Closing Stock</b>		
Finished Goods	734.30	758.23
Work in Progress	1894.62	2849.25
LPG	2653.18	2340.80
Scrap	46.76	44.84
<b>SUBTOTAL</b>	<b>5328.86</b>	<b>5993.12</b>
<b>INCREASE / (DECREASE) IN STOCKS</b>	<b>664.27</b>	<b>(560.02)</b>
<b>26</b>		
<b>EMPLOYEES BENEFITS</b>		
Salary and Wages including PF and Others	4513.68	3256.56
Staff and Labor Welfare	36.94	39.07
<b>TOTAL</b>	<b>4550.62</b>	<b>3295.63</b>
<b>27</b>		
<b>INTEREST AND FINANCIAL CHARGES :</b>		
Interest to Bank on Term Loan	134.64	103.98
Interest to Bank on W/C and others	896.30	850.62
Bank Charges, LC Charges, Mortgage and Registration Charges	129.87	137.23
<b>TOTAL</b>	<b>1160.81</b>	<b>1091.83</b>

PARTICULARS	AS AT 31.03.2020 Rs. in Lacs	AS AT 31.03.2019 Rs. in Lacs
<b>OPERATING AND OTHER EXPENSES</b>		
<b>Operating Expenses</b>		
<b>Factory expenses</b>		
- Power and Fuel	639.17	886.08
- Plant Licenses and other Exp.	325.29	320.01
- Carriage Inward	591.88	1350.92
- Job Work Charges	1,323.25	1989.17
- Testing and Marking Fees	105.23	69.95
- Explosive Expenses	0.05	3.56
- Diesel exp.	13.07	15.77
<b>Repair and Maintenance</b>		
- Plant and Machinery	72.27	119.05
- Others	68.43	82.98
<b>Sub total (a)</b>	<b>3,138.64</b>	<b>4837.49</b>
<b>Administration Expenses</b>		
Rent, Rates and Taxes	9.98	13.26
Printing and Stationery	26.41	11.49
Remuneration to Auditors	7.22	7.72
Rental & Site Expenses	2,493.86	1620.66
Security Charges	210.42	125.57
Insurance Expenses	46.59	33.25
Carriage Outward	639.85	1302.97
Travelling Expenses	383.88	304.45
Service Tax and WCT paid	0.00	0.00
Remuneration to Directors	150.00	150.00
Miscellaneous Expenses	71.54	75.91
LD Charges	508.24	622.50
Communication Expenses	55.79	41.95
Legal and Professional Charges	353.21	275.00
Filing Fees Roc and others	66.61	63.41
Advertising and Sales Promotion	484.91	863.38
Vehicle Expenses	174.38	52.23
Preliminary Expenses Written off/Amalgamation Exp.W/off	5.75	5.75
Other Administrative Exp.	14.25	6.31
<b>Sub total (b)</b>	<b>5,702.89</b>	<b>5575.81</b>
<b>TOTAL (a+b)</b>	<b>8,841.53</b>	<b>10413.30</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:

- a) 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 Taraa 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
- b) 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.
- c) 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.

**2. Investments other than in subsidiaries and associates have been accounted as per Indian Accounting Standard (AS)32 on "Accounting for Investments".**

**3. Other significant accounting policies** These are set out under "Significant Accounting Policies" as given in the Standalone Financial Statements of Confidence Petroleum India Ltd. and its subsidiaries. In the March, 2020 the COVID - 19 has accelerated globally resulting sharp decline of demand of LPG in global market resulting drastic fall in Bulk LPG prices globally As Company is procuring Bulk LPG from various sources with a prior monthly commitments, which company has fulfilled. But because of sudden government directives the consumption of LPG (Auto as well as Packed LPG ) came down drastically as hotels / Restaurants / Industries public transport system was completely locked down. The Company has determined the non-cash inventory holding losses in the LPG & Packed LPG businesses due to drastic drop in LPG prices accompanied with unprecedented demand destruction due to Covid-19 the same has been accounted for in accordance with IND As -2 regarding Valuation of Inventories.. The total impact on profitability accounts for 6.5 Crs.

**4. 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.

5. Previous year figures have been regrouped/reclassified wherever necessary to make them comparable with current year figures.
6. 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 attached**

**For AKHIL RATHI & CO.**  
**Chartered Accountants**

**For GANESH ADUKIA & ASS.**  
**Chartered Accountants**

**For and On Behalf of Board**

**Akhil Rathi**  
**Proprietor**  
**M. No. 154788**  
**(FRN: 136954W)**

**Ganesh Adukia**  
**Proprietor**  
**M. No. 169737**  
**(FRN: 142238W)**

**Nitin Khara**  
**(Managing Director)**  
**(DIN: 01670977)**

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

**Vaibhav Dedhia** **Priti Bhabra**  
**(Director)** **(Company Secretary)**  
**(DIN: 08068912)** **(M.No 52365)**

**Place : Nagpur / Date 19<sup>th</sup> June-2020**

**ANNUAL REPORT**  
**2019-2020**