

**VENUE: GALA NO. 11-12, FIRST FLOOR, SITA ESTATE,  
VASHI NAKA, MAHUL ROAD, NEXT TO RCF POLICE STATION,  
CHEMBUR, MUMBAI - 400074**





# INDEX

## CONTENTS

SR. NO	PARTICULARS	PAGE NO.
1	Corporate Information	01
2	Chairman's Speech	03
3	Notice of 24th Annual General Meeting	05
4	Directors' Report and Annexure	18
a	AOC-1	30
b	AOC-2	31
c	Report on Corporate Governance	32
d	Management Discussion And Analysis Report	50
e	Certification of MD, CEO & CFO	55
f	Auditors' Certificate on Corporate Governance	56
g	MGT-9	57
h	Secretarial Audit Report	66
i	Declaration Of Code Of Conduct	70
5	Standalone Financial Statement	71
6	Consolidated Financial Statement	112
7	Attendance Slip	142
8	Proxy Form	143





# CORPORATE INFORMATION

## CORPORATE INFORMATION CONFIDENCE PETROLEUM INDIA LIMITED

PARTICULARS	DETAILS
CIN	L40200MH1994PLC079766
DATE OF INCORPORATION	21/07/1994
REGISTRATION NO.	11-079766
REGISTERED OFFICE ADD	B-13, Prabhu Kripa Society, Nanda Patkar Road, Near Telephone Exchange, Vile Parle (East), Mumbai- 400057
CORPORATE OFFICE ADD	404, Satyam Apartment, 8 Wardha Road Dhantoli, Nagpur-440012 (M.S.)
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)-6652083,7304320190
FAX	(0712) -6631977
BOARD OF DIRECTORS	Mr. Nitin Khara - Chairman-Managing Director & CEO Mr. Elesh Khara - Executive Director & CFO Mr. Sumant Sutaria- Independent Director Mrs. Mansi Deogirkar- Independent Director Mr. Vaibhav Pradeep Dedhia - Additional Director Mr. Supratim Subimal Basu- Additional 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



## CORPORATE INFORMATION

CSR COMMITTEE	Mr. Nitin Khara - Chairman
	Mr. Elesh Khara – Member
	Mrs. Mansi Deogirkar - Member
STATUTORY AUDITORS	M/s. Akhil Rathi & Co. Nagpur M/s. Ganesh Adukia & Associates, Mumbai
COST AUDITOR	M/s. Narendra Peshne & Associates
BANKERS	ICICI BANK LIMITED CENTRAL BANK OF INDIA AXIS BANK LIMITED
REGISTRAR & SHARE TRANSFER AGENT	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



## CHAIRMAN'S SPEECH



### Dear Shareholders,

It gives me great pleasure to update you about the performance of your Company for the Financial year 2017-18. It was a transformative year with the introduction of Goods and Services Tax (GST), an important development that has created a single national market and will benefit both consumers and industry, including the Oil & Gas sectors. While trade conditions remained volatile during early implementation, they have now stabilised and there is a gradual improvement in overall demand.

The year 2017-18 was a momentous one as the Indian economy embraced its biggest economic reform in the form of GST, within a year of demonetisation. This move towards 'One nation, one market, one tax' will provide a big boost for the economy. Today, India is one of the fastest growing large economies, poised to record a healthy growth rate of 7% on the back of consumption demand and increased public spending. With the country getting younger every day and with the rising aspirations of emerging India, there are thousands of thriving cities and towns beyond the urban metros that hold the power to fuel the nation's economic engine. This growth will get accelerated with a slew of ecosystem enablers such as Make in India, Skill India and Start-up India.

We are in a rapidly changing world where burgeoning connectivity and transparency is reshaping the value creation model across industries. We continue to lead the transformation in the LPG sector with significant innovations: we recently launched blast proof, translucent and light-weight composite cylinders under the brand name Go Gas Elite for which we have set up a nation-wide distribution network. We have received a very encouraging response from customers and your Company is now in complete readiness to replicate these success stories across the country. Having performed well in recent years despite the highs and lows of this business, I believe that Company is at a striking distance to become one of India's leading private sector LPG retailer and cylinder manufacturing unit.

Confidence Group, by virtue of its entrepreneurial skills, innovative strategies and solid execution, is emerging as one of the fastest growing and leading private sector company in India especially in the Auto LPG dispensing stations segment. Our Auto LPG division growth is being helped significantly by government policies and initiatives for using green and clean fuel by the automotive industry and city transportation. We currently have 140 Auto LPG Pumps across the nation and we expect to grow 200-220 pumps by FY 2019. Overall profitability of your company is also being helped by our growth in the segment.

We have a well-diversified presence in the LPG sector. Our four operating divisions are :LPG Cylinder manufacturing, where we are one of the largest in the nation, LPG bottling assistance to oil and gas PSUs in which we are leading private sector player, selling packed LPG Cylinders to commercial and retail customer, and our Auto LPG stations have provided further details of each division in our Management Discussion and Analysis section.



## CHAIRMAN'S SPEECH

Confidence Group is a professionally managed organization and takes immense pride in its highly committed, dedicated and dynamic workforce, who with their drive and ambition are converting Dreams of the company into Realities. The Group has emerged as a leader in the LPG Sector by creating new landmarks in the industry. We at Confidence are committed towards nation building by serving the masses. Our endeavor is to create value for the society at large. Pollution has become a matter of great concern and vehicular pollution had multiplied it. Auto LPG, the cleaner fuel comes with advantage of cost benefit and ready availability.

The Company has recently allotted 1.5 million equity shares @Rs.52/- per shares for Rs.1/-face value share to prestigious investors. These funds have been received in July 2018. The aforesaid money shall be used exclusively in expansion of our business in Auto LPG division for installing more Auto LPG Pumps.

Further the Company is in the process of issuing 2.00 million Warrant at a strike price of Rs.52/- per share to promoters and non promoters. I believe that this shows the continuing confidence of the founder in the business and its prospects.

In conclusion, I would say that 2017-18 has been an inflection year for the Company, during which it raised the bar on performance on all fronts and our success. This is without any doubt, owed primarily to our committed employees across all divisions. I would like to extend my grateful appreciation to the team and hope they will continue to excel undeterred in their endeavours. It is equally important that we acknowledge the resolute faith and support of our extended family of shareholders, customers, dealers, suppliers, financial institutions and strategic partners who travel with us in our journey. I would like to extend my deepest appreciation to them and hope to see this bond grow even stronger.

Our Vision is "To make India a pollution free country and to serve mankind by providing green and clean fuel sources at an economical price even in remote rural area of the nation, besides providing logistical support to all the PSU oil majors.

**Yours Sincerely,**

**Nitin Khara**  
**Chairman & Managing Director**



## NOTICE OF 24<sup>th</sup> ANNUAL GENERAL MEETING

### NOTICE OF TWENTY FOURTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY FOURTH (24TH) ANNUAL GENERAL MEETING OF THE MEMBERS OF CONFIDENCE PETROLEUM INDIA LIMITED, (CIN: L40200MH1994PLC079766) WILL BE HELD ON FRIDAY, THE 28<sup>TH</sup> DAY OF SEPTEMBER 2018 AT 01.00 P.M. AT GALA NO. 11-12, FIRST FLOOR, SITA ESTATE, VASHI NAKA, MAHUL ROAD, NEXT TO RCF POLICE STATION, CHEMBUR, MUMBAI - 400074 TO TRANSACT THE FOLLOWING BUSINESSES :-

#### ORDINARY BUSINESS:

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

To receive, consider and adopt:

- a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2018 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, 2018 and the Report of the Auditors thereon.

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

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

#### SPECIAL BUSINESS:

##### Item No. 3–Re-appointment of Cost Auditor for the Financial Year 2018-19

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, **M/s. Narendra Peshne & Associates, Cost Accountants** be and are hereby re-appointed as Cost Auditors of the Company to audit the cost records of the Company for the financial year 2018-19, on such remuneration as may be determined by the Board of Directors.

**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– Appointment of Mr. Vaibhav Pradeep Dedhia (DIN:08068912)as an Independent Director

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



## NOTICE OF 24<sup>th</sup> ANNUAL GENERAL MEETING

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Vaibhav Dedhia (DIN 08068912), a non executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for 5 (five) consecutive years with effect from 28<sup>th</sup> September, 2018 up to 27<sup>th</sup> September, 2023.”

### **Item No. 5– Appointment of Mr. Supratim Subimal Basu (DIN: 01910081) as an Independent Director**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Supratim Subimal Basu (DIN: 01910081) a non executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for 5 (five) consecutive years with effect from 28<sup>th</sup> September, 2018 up to 27<sup>th</sup> September, 2023.”

### **Item No. 6 - Revision in terms of remuneration of Mr. Nitin Khara, Managing Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197 and Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made thereunder, as amended from time to time, approval of the Company be and is hereby accorded to the payment of the following revised remuneration to Mr. Nitin Khara, Managing Director and CEO of the Company with effect from this general meeting, the revision in the salary scale applicable to Mr. Nitin Khara, as detailed in the statement forming part of this notice.

**RESOLVED FURTHER THAT** the Board of Directors (including the Nomination & Remuneration Committee thereof) be and is hereby authorised to fix his salary within the salary scale approved, increasing thereby, proportionately, all benefits related to the quantum of salary.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”



## NOTICE OF 24<sup>th</sup> ANNUAL GENERAL MEETING

### Item No. 7 - Revision in terms of remuneration of Mr. Elesh Khara, Director & Chief Financial Officer of the Company

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

**“RESOLVED THAT** pursuant to Sections 196, 197 and other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made thereunder, as amended from time to time, read with Schedule V to the Act, the Company hereby approves with effect from this general meeting, the revision in the salary scale applicable to Mr. Elesh Khara, as detailed in the statement forming part of this notice.

**RESOLVED FURTHER THAT** the Board of Directors (including the Nomination & Remuneration Committee thereof) be and is hereby authorised to fix his salary within the salary scale approved, increasing thereby, proportionately, all benefits related to the quantum of salary.

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

**By the order of Board**

**Place: Nagpur**

**Confidence Petroleum India Limited**

**Dated: 31/08/2018**

**SD/-**

**Nitin Khara  
(Chairman)**

#### **NOTES:**

1. The explanatory statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting, is annexed hereto.
2. The **book closure** for the purpose of share transfers shall commence from **22/09/2018 to 28/09/2018 (both days inclusive)** for annual closing.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
4. **A PROXY FORM IS ENCLOSED. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
5. **A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS SENT HERewith. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.**



## NOTICE OF 24<sup>th</sup> ANNUAL GENERAL MEETING

6. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned depository participant and holdings should be verified.

7. The securities and exchange board of India (SEBI) has mandated the submission of permanent account number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their pan details to the company.

8. Details under the applicable provisions of SEBI Listing Regulations with the stock exchange in respect of the directors seeking appointment/re-appointment at the annual general meeting, forms an integral part of the notice. The directors seeking reappointment have furnished the requisite declarations for their re-appointment as Directors.

9. Electronic copy of the annual report for 2017-18 is being sent to all the members whose email ids are registered with the company/depository participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017-18 is being sent in the permitted mode. Complete copy of the annual report for 2017-18 shall be provided on request to members.

10. Electronic copy of the notice of the 24<sup>th</sup> Annual General Meeting of the company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all the members whose email ids are registered with the company/depository participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the notice of the 24<sup>th</sup> Annual General Meeting of the company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent in the permitted mode.

11. Members may also note that the notice of the 24<sup>th</sup> Annual General Meeting and the Annual Report for 2017-18 will also be available on the company's website [www.confidencegroup.co](http://www.confidencegroup.co) for their download. The physical copies of the aforesaid documents will also be available at the company's registered office and corporate office in Nagpur for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the company's investor email id: [cs@confidencegroup.co](mailto:cs@confidencegroup.co).

### 12. E-VOTING

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