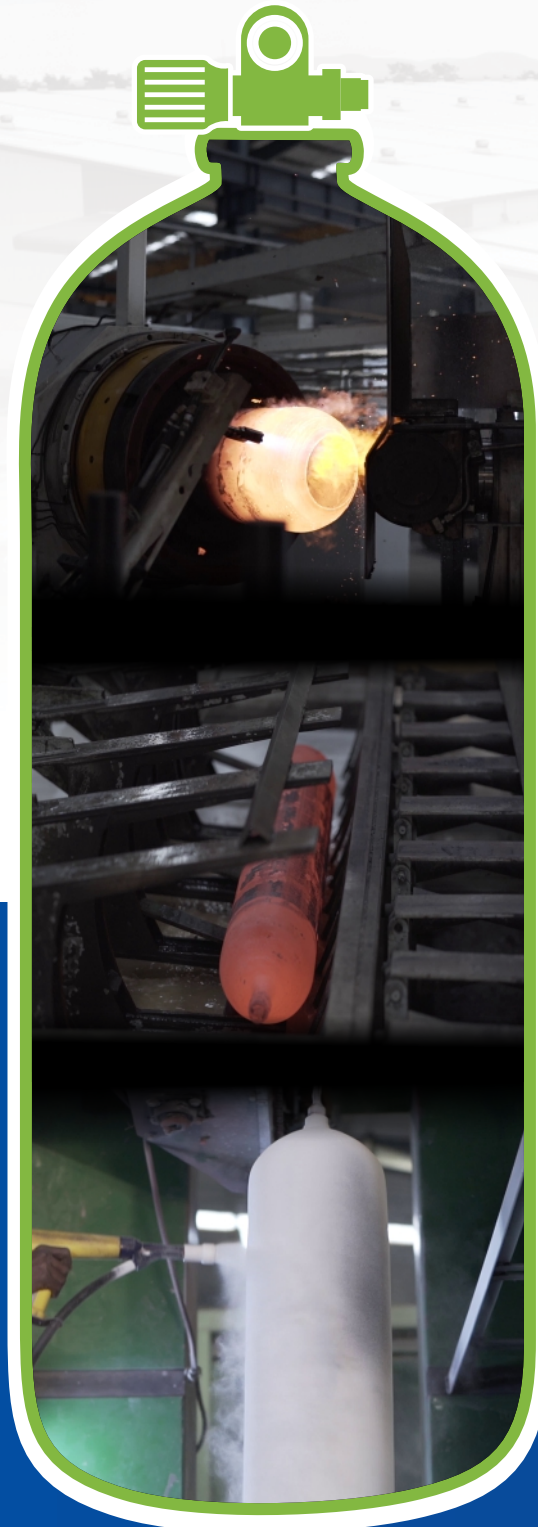




CFEL

CONFIDENCE FUTURISTIC ENERGETECH LTD



ANNUAL REPORT **2022-2023**

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CORPORATE INFORMATION

| PARTICULARS | DETAILS |
|---|---|
| CIN | L74110MH1985PLC386541 |
| DATE OF INCORPORATION | 26/06/1985 |
| REGISTRATION NO. | 386541 |
| REGISTERED OFFICE ADDRESS | Office 419, Plot-71 Thane, Navi Mumbai Thane Mumbai MH-400703 |
| CORPORATE OFFICE ADDRESS | Confidence Tower, 34A, Central Bazar Road, Ramdaspath, Nagpur-440010 |
| WEBSITE | www.cfel.co.in |
| E- MAIL ID | cs@cfel.co.in |
| TEL. NO. | 9370542004 |
| BOARD OF DIRECTORS | Ms. Vandana Gupta- Women Independent Director |
| | Mr. Sumant Jayantilal Sutaria – Independent Director |
| | Mr. Nitin Punamchand Khara- Managing Director |
| | Mr. Sanjay Ramrao Naphade -Non Executive Director |
| | Mr. Sarvesh Elesh Khara- Non Executive Director-CFO |
| | Mr. Vaibhav Pradeep Dedhia- Independent Director |
| COMPANY SECRETARY & COMPLIANCE OFFICER | Ms. Prity Bhabhra |
| STATUTORY AUDITORS | M/s. L N J & Associates, Nagpur M/s Koshal & Associates, Mumbai. |
| REGISTRAR & SHARE TRANSFER AGENT | Skyline Financial Services Pvt. Ltd. Unit:D-153A, 1 st Floor, Okhla Industrial Area, Phase I, New Delhi, Delhi - 110020 011 - 64732681/ 88 viren@skylinerta.com/ admin@skylinerta.com |

CHAIRMAN S' SPEECH

Dear esteemed shareholders,

I welcome you to the 38th Annual General Meeting of your Company. It's my honour to address you at the 38th AGM of your company.

Today the world has transformed into a 'global market'. The global uncertainties impact businesses across the world. In such a dynamic environment of fast changing global scenario, only companies with innovative and sustainable ways of working will grow and survive in tomorrow's marketplace. As a leading player in CNG and High-Pressure Cylinders and a leading brand in India, your Company aspires to grow faster by strategic planning while increasing the profitability.



I am delighted to share with you that your company continued to act on the ambitions in pursuit of creating value for our stakeholders. We offer solutions that reduce vehicular and industrial emissions polluting the environment. During the fiscal 2022-23, your company achieved significant milestones that laid the foundation for its strategic growth. The commencement of commercial operations at our subsidiary company - Confidence Enterprise Private Limited at Umred, near Nagpur, is a pivotal step in realizing our aspirations and our journey towards becoming a leader in CNG and High-Pressure Cylinder manufacturing.

Our Government by accepting the Kirit Parikh Committee's recommendations on gas pricing is expected to decrease the prices for Compressed Natural Gas (CNG). This new pricing system will announce prices monthly and link them to 10% of the international price of the Indian crude basket. The implementation of these reforms will lead to a significant decrease in prices of Compressed Natural Gas (CNG) for transport and various industries.

The use of CNG as auto fuel will boost the avenues for setting up more CNG Dispensing Stations and the Mobile Refilling Units (MRUs), which in turn will boost the demand for our product - CNG Cylinders/ High Pressure Cylinders and CNG Cascades.

Your Company is steadfastly committed to a greener future. The Government of India announced commissioning of Ten thousand (10000) CNG Dispensing Stations across India to promote environmental friendly cleaner auto fuel. This mission will increase the demand of CNG Cascades as well as the CNG Cylinders and in turn increase the number of CNG run vehicles. All these will have burgeoning demand to our products. Your Company is fully aligned with the government's vision and during the fiscal 2022-23, your promoter commissioned 34 CNG Dispensing Stations in Bengaluru city. Each CNG Dispensing Station shall have requirement of around two to three CNG Cascades for transportation of CNG from mother station. This will also boost the demand for our product - CNG Cascades.

Our astute and determined commitment to operating at the highest standards of governance, ethics, and integrity continues to guide us. Our unflinching adherence to SEBI's regulations highlights our unwavering dedication to maintaining the highest level of corporate governance. Sustainability remains central to our future trajectory, as we are deeply committed to creating a positive impact on both the environment and society.

In the backdrop of achievements, I am confident to convey my optimism about the success road ahead. The core doctrines of our strategy are proving worth, setting us on the trajectory of growth. With our strategy firmly in place, your Company is now strategically positioned to amplify its growth trajectory by bagging the opportunities that the future holds. Your company is resolutely committed to delivering sustained value for all stakeholders.

To conclude, I convey my sincere thanks to all our shareholders for their continued trust and confidence in the Management of the Company. In spite of difficult business environment, our success journey is marked by your enduring trust, committed workforce, resolute support of our suppliers and customers and their confidence in us.

NITIN KHARA

Chairman,

Confidence Futuristic Energetech Limited

NOTICE OF 38TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Thirty Eighth (38th)** Annual General Meeting of the Members of **CONFIDENCE FUTURISTIC ENERGETECH LIMITED**, (CIN: L74110MH1985PLC386541) will be held on **Saturday, the 30th day of September, 2023 at 11.00 am** through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') facility 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 31st March, 2023 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 31st March, 2023 and the Report of the Auditors thereon.

Item No. 2 - Declaration of Final Dividend

To Declare a Final Dividend of Rs. 0.375/- (7.5%) per Equity Share for the Financial Year ended on 31st March, 2023.

RESOLVED THAT a Dividend of Rs. 0.375/- (7.5%) per Equity Share of Rs. 5/- (Rupees Five only) each fully paid up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended 31st March, 2023 and the same be paid out of the profits of the Company.

Item No. 3 – Re-appointment of Director retiring by rotation

To appoint a Director in place of Mr. Sarvesh Khara (DIN: 06938709) who retires by rotation, and being eligible, offers himself for re-appointment.

RESOLVED THAT, in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Sarvesh Khara (DIN: 06938709), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company liable to retire by rotation.

SPECIAL BUSINESS:

Item No. 4 – Re- Appointment and Remuneration of Managing Director & CEO

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“RESOLVED THAT, subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities including the Central Government in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the re-appointment and remuneration of **Mr. Nitin Khara (DIN 01670977) as the Managing Director** of the Company under the Companies Act, 2013 to be designated as Managing Director & Chief Executive Officer (MD & CEO) for a period of 5 (Five) years with effect from 26th September, 2023, on terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of

Directors (hereinafter referred to the “Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Nitin Khara, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactments thereof.”

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

Item No. 5 - Re-appointment of MR. VAIBHAV PRADEEP DEDHIA (DIN: 08068912) as an Independent Director

To consider and, if thought fit, to pass, 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 Qualification 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 and pursuant to resolution passed by Nomination and Remuneration Committee and Board , **MR. VAIBHAV PRADEEP DEDHIA (DIN: 08068912)** who was appointed as an Independent Director of the company and who is eligible for re-appointment and meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term till the period 12th March, 2028.”

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. 6 - Change in place of keeping Registers and Records

To consider and, if thought fit, to pass, the following resolution as a Special Resolution:

“RESOLVED THAT, in supersession of all Resolutions passed earlier in this regard and pursuant to Section 94 and other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Management and Administration) Rules, 2014, consent of the Members of the Company be and is hereby accorded to keep the Registers as prescribed under Section 88 of the Act, and copies of all Annual Returns under Section 92 of the Act, together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at CONFIDENCE TOWER, 34A, CENTRAL BAZAR ROAD, RAMDASPETH, NAGPUR-440010, INDIA.

RESOLVED FURTHER THAT the Board of Directors and/or any person authorised by the Board, be and is hereby authorized to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution.”

Item No. 7 - Material Related Party Transaction(s) with Sarju Impex Limited

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“RESOLVED THAT, pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘SEBI Listing Regulations’), the applicable provisions of the Companies Act, 2013 (‘Act’), if any, read with related rules, if any, each as amended from time to time and the Company’s Policy on Related Party Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee constituted/empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into, contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement with Sarju Impex Limited, an subsidiary company of the Company, on such terms and conditions as may be agreed between the parties, for an aggregate value of up to **Rs. 50 Crores** to be entered **during FY 2023-24**, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm’s length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT, the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Government/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolution(s), be and are hereby approved, ratified and confirmed in all respects.”

Item No. 8 - Material Related Party Transaction(s) with Confidence Enterprises Private Limited

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘SEBI Listing Regulations’), the applicable provisions of the Companies Act, 2013 (‘Act’), if any, read with related rules, if any, each as amended from time to time and the Company’s Policy on Related Party Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee constituted/empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into, contract(s)/ arrangement(s)/ transaction(s) (whether by

way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement with **Confidence Enterprises Private Limited**, an subsidiary company of the Company, on such terms and conditions as may be agreed between the parties, for an aggregate value of **up to Rs. 50 Crores** to be entered during **FY 2023-24**, subject to such contract(s)/arrangement(s) /transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT, the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Government/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT, the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolution(s), be and are hereby approved, ratified and confirmed in all respects."

Item No. 9 - Material Related Party Transaction(s) with Maruti Koatsu Cylinders Limited

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), the applicable provisions of the Companies Act, 2013 ('Act'), if any, read with related rules, if any, each as amended from time to time and the Company's Policy on Related Party Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted/empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into, contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement with **Maruti Koatsu Cylinders Limited**, an subsidiary company of the Company, on such terms and conditions as may be agreed between the parties, for an aggregate value of **up to Rs. 25 Crores** to be entered during **FY 2023-24**, subject to such contract(s)/arrangement(s) /transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in

respect thereof and seek approval from relevant authorities, including Government/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolution(s), be and are hereby approved, ratified and confirmed in all respects."

Item No. 10 - To Grant Authority To The Board Of Directors To Advance/Give Any Loan, Give Any Guarantee Or To Provide Any Security To Such Person Specified Under Section 185 Of The Companies Act, 2013.

To consider and, if thought fit, to pass, the following Resolution as a **Special Resolution**:

"RESOLVED THAT, pursuant to the provisions of Section 185 ("said Section"), and other applicable provisions, if any of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Member(s) of the Company is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its power conferred by this resolution), for making of loan(s) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any loan taken to be taken by Directors, KMP, Subsidiaries, body corporate and other related parties being entity under the category of a person in whom any of the Director of the Company is interested', as specified in the explanation to Sub-section 2 of the said Section, for an aggregate amount not exceeding Rs. 100,00,00,000/- (Rupees One Hundred Crore only) outstanding at any point of time and on such terms and conditions, including interest and tenure, as they may in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.

RESOLVED FURTHER THAT, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and take all steps as may be necessary including without limitation, the determination of the terms and conditions of the loan and /or guarantee including among others things, the security for repayment, tenure of loan, tranches, interest rate and to sign and execute all deeds, documents, undertakings, agreements, papers, declarations and writings as may be required in this regards and /or to settle all questions, difficulties or doubts that may arise at any stage from time to time including amendment of the terms and conditions at which the loan is granted or security is provided as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek further consent or approval of the Members or otherwise."