



# GREEN—FUEL CRUSADER

Confidence Petroleum India Limited  
Annual Report, 2010-11





### **CNG/High Pressure Cylinders Manufacturing:-**



The company has commissioned & developed High Pressure/CNG cylinder manufacturing plant at SEZ in Vishakhapatnam with new technology. The High Pressure/CNG cylinders manufactured by the Company have good market potential and are in high demand in Automobile, industrial as well as in Health Care sector for filling of Oxygen, Nitrogen, CNG and Medical Oxygen.

As with the scarcity and rise in global crude oil prices, the natural gas findings in Krishna Godavari basin have been a boon to the economy. In the coming 10-20 years all major cities/towns will be connected by Gas Grid to cater to the growing demand of CNG and PNG as an environment friendly fuel. Worldwide the Company is also planning to manufacture state of the art CNG Cylinders. Confidence is ready to capture this opportunity in providing solutions for natural gas supply and has already put up a plant in Vishakhapatnam with the capacity of 1,80,000 cylinders per annum. The management has decided to increase the capacity to 3,50,000 cylinders per annum in the near future in the view of the rising demand. Company's another CNG/High Pressure Cylinder plant is coming in Uttarkhand. The Company is stepping ahead in the field of High Pressure/CNG Cylinders through acquisition and JV in India as well as globally.

### **Auto LPG Dispensing Stations:**

With the growing No of vehicles the automobile population in India is growing day by day out and so is the acceptance of LPG as an automobile fuel growing by leaps and bounds.

The Company has vast presence in the terms of multi locational Bottling plants and existing and growing LPG storage infrastructure all over India. The Company is planning to install 500 Auto LPG Dispensing Stations in two phases in the states of Karnataka, Tamil Nadu, Orissa and Rajasthan to cater the growing demand for Auto LPG. The Company has a broad vision and is aiming to meet the ensuing market demand of Auto LPG as OEMs like TATA Motors, Hyundai Motors, and Maruti setting to launch the Auto LPG driven vehicles. LPG is replacing petrol since it is cheaper and greener fuel. Each unit of ALDS will consist of Auto accessories, car washing units which will generate additional revenues.





### ***Auto LPG Cylinder Manufacturing Unit:***



With the growing demand of auto LPG by OMEs like TATA Motors, Hyundai Motors and Maruti, the Company has started production of Auto LPG Cylinders at Nagpur plant. The Company has also put up new units at Uttarkhand to manufacture Auto LPG Cylinders for four wheelers and two wheelers, which will commence production in next few months.

### ***LPG Bottling Assistance:***

With its vast presence the Company has Bottling Plants at Mumbai-Khopoli, Coimbatore, Jabalpur, Gwalior, Roorkee, Udaipur and its subsidiaries are having bottling plants at Nashik, Raipur, Hyderabad, Bangalore, Chennai, Vizag, Patna, Lacknow, Varanasi, Nagpur, Rajmundri, Nellure, Anantpur & Ellure and is providing Bottling Assistance to major clients like BPCL, HPCL, IOCL and Reliance Group.

#### ***Savings to the nation***

The PSU Oil majors have huge savings on the account of lesser fuel consumption on bulk as well as packed transportation, by using our group's nationwide Bottling facilities and logistic network. To augment the industry further by providing Bottling Services to the PSU Oil majors the Company is planning to establish 100 and more Bottling Plants to get logistical advantage.



### ***LPG Cylinder Manufacturing:***

We are the largest cylinder manufacturer in Asia with single largest installed capacity of all sizes 4-14, 15-17, 21-35 Kg in capacity, which is steadily growing day by day. Major clients: BPCL, HPCL, IOCL and Private Sectors. The company is expecting good business in the coming years due to the implementation of government schemes like Rajiv Gandhi Gramin Vitarak Yojana and free LPG connections to the BPL families.





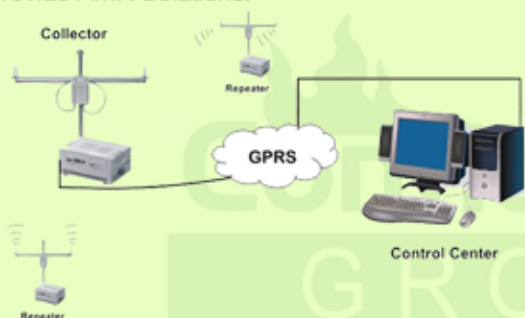
## LPG/CNG DISPENSERS:



The Auto LPG/CNG as an alternative energy source is a greener fuel and its growing demand and upcoming huge networks has led to a great demand for its dispensers. The company is marketing LPG/CNG Dispensers for which confidence has a tie-up with the Zhe Jiang Machines Co Ltd, a leading company in China, manufacturing dispensers and has already signed up and MOU with it.

## AMR (Auto Meter Reading) Solutions (RFID):

With the rise in use of natural gas as a source of kitchen fuel, there will be great demand of Auto Meter (Reading Solutions). The company has a tie up with an Israel based company Miltel-com who are leaders in AMR solutions based on RFID world-wide, to provide AMR Solutions.



## LPG MARKETING (PACKED):



The Company is a market leader in the booming commercial market for non-subsidized packed LPG meant for industries, hotels, restaurants etc. As the LPG Sector in India is divided into two categories i.e. subsidized, dominated by PSU oil majors like BPCL, HPCL, IOCL and non-subsidized catering to the commercial market, our brand Gaspoint Hi Power is the name to reckon within this segment.

*Recently Launched* **go gas** Standby

The Company has launched its brand GOGAS Standby LPG Cylinder from 4 kg onwards in primarily the non-subsidized sector which will cater to both the domestic as well as industrial use in the Urban/Rural area.

### **LPG Blending Division:**



Our 3 LPG Blending Plants provide tailor made solutions to our customers by blending Propane and Butane in a predetermined ratio to cater to the requirements of various industrial units in the Auto, Glass, Ceramic and Steel Sector to perfection.

### **Logistics (Bulk Transportation)**

**Warehousing (Storage Facilities):-** The boom in Auto LPG Segment across India has generated a huge demand for Auto LPG Logistics/ Transportation and storage all over India. The company is planning to utilize its existing set up for providing logistical support to PSU oil majors.



### **Project Division (Turnkey)**



Company has an expert project team comprising of qualified and experienced engineers & staff. The project team with its acumen and expertise has executed various projects of the company within the time frame. The project team has the credit of completing the company's LPG bottling plant within the time schedule of 2(two) months. The project team has undertaken various turnkey projects of Indian Oil Corporation, one of which is LPG storage Tank at Chhapra (Bihar) and had executed the same within time bound programme to the utmost satisfaction of the clientele.



**CNG / High Pressure Cylinder manufacturing facility unit (SEZ-Vizag)**



## Highlights, 2010-11

1. Reported the highest ever growth in revenue generation from all its three core business areas.
2. Providing cylinders Hot repairing services to all Major PSUs i.e. BPCL, HPCL, IOCL
3. Operationalised new bottling plants, ALDS and cylinder Manufacturing Units.
4. Take initiative to diversify its business by entering the Market of Gas Meter and Auto LPG Gas Kit by launching its own products under its own Brand Name 'Go Gas'.
5. Strengthen its presence in overseas market by establishing a new bottling plant at Jakarta, Indonesia.

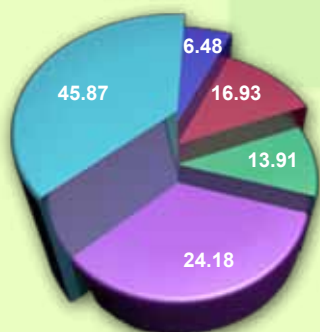
## Listing

Listed on Bombay Stock Exchange (Scrip Code – 526829)

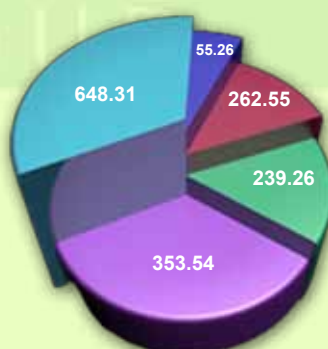
Market Capitalization of Rs. 416.72 crore (As per closing value as on 31st March, 2011 of Rs. 16.10 per share of face value Rs. 1 each)

## 5 Year Trend

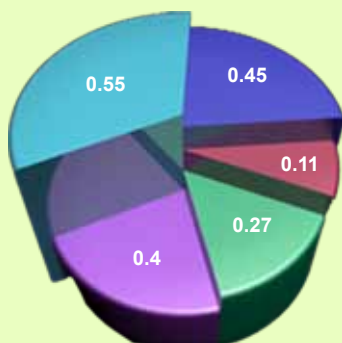
Profit After Tax (Rs.Crore)



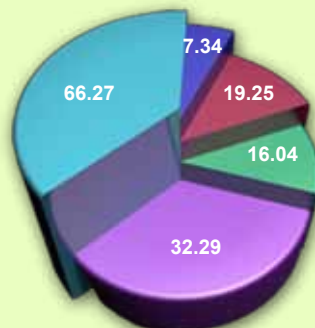
Revenue (Gross) (Rs.Crore)



Debt-Equity Ratio



Operating Profit (Rs.Crore)



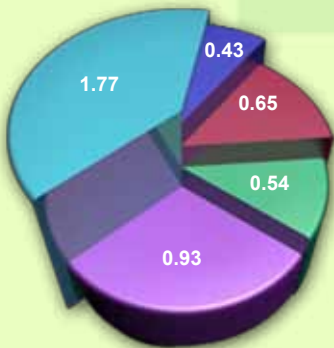


## Business

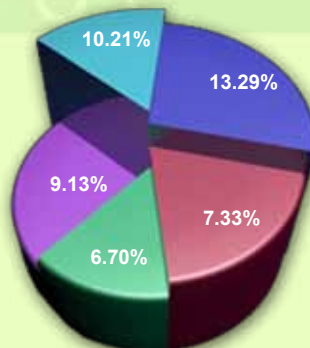
1. 'CPIL' recorded its presence in 21 states of India, with it's 55 Bottling plants, 9 LPG/CNG Cylinder manufacturing units, 99 Auto LPG Dispensing Stations and 58 own LPG transport capable vehicle all over India.
2. with its diversified Business initiative in all it's core business areas 'CPIL' becomes a strong player in the gas marketing and distribution field
3. 'CPIL' sited as fastest growing private sector cylinder manufacturing, Bottling assistance provider in India.
4. Ethanol and crude distillation.
5. Distribution and marketing of LPG and CNG Gas meters in india.
6. Manufacturing LPG and CNG gas kits for 2-3-4 wheelers.

## 5 Years Trend

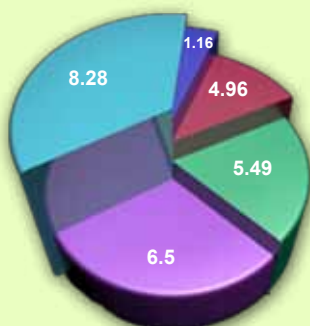
Earning Per Share(EPS Basis)Rs



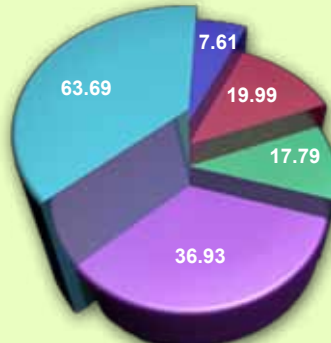
Operating Profit Margin(%)



Book Value Per Share(Rs.)



Cash Profit (Rs.Crore)



## *Green Initiative*

As The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members, we welcome and support this initiative taken by government. To support this green initiative of the Government in full measure, members are requested to support this green initiative by updating their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses with the company’s Registrar and Transfer Agent. Join this good cause and make the world a cleaner, greener and healthier place to live.

### **ANNUAL GENERAL MEETING**

Date : Friday, September 30th, 2011

Time : 02.30 P.M.

Venue : Gala No. 11-12, First Floor,  
Sita Estate, Vashi Naka,  
Mahul Road, Next To RCF Police Station,  
Chembur, Mumbai – 400074

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# Corporate Information

## BOARD OF DIRECTORS

**Mr. Nitin Khara**  
Managing Director

**Mr. Nalin Khara**  
Executive Director

**Mr. Elesh Khara**  
Executive Director

**Mr. Jitendra Jain**  
Independent Director

**Mr. Sumant Sutaria**  
Independent Director

## AUDIT COMMITTEE

**Mr. Sumant Sutaria**  
Chairman

**Mr. Jitendra Jain**  
Member

**Mr. Elesh Khara**  
Member

## REMUNERATION COMMITTEE

**Mr. Jitendra Jain**  
Chairman

**Mr. Sumant Sutaria**  
Member

**Mr. Elesh Khara**  
Member

## SHAREHOLDERS AND INVESTORS GRIEVANCE COMMITTEE

**Mr. Sumant Sutaria**  
Chairman

**Mr. Jitendra Jain**  
Member

**Mr. Elesh Khara**  
Member

## MANAGEMENT COMMITTEE

**Mr. Nitin Khara**  
Chairman

**Mr. Nalin Khara**  
Member

**Mr. Jitendra Jain**  
Member

## Registered Office

B-13, Prabhu Kripa Society,  
Nanda Patkar Road,  
Vile Parle (e) Mumbai-400057  
[www.confidencepetro.com](http://www.confidencepetro.com)

## Auditors

**Bhandari & Associates**  
Chartered Accountants, Mumbai

## Bankers

**ICICI Bank**  
Ramdaspath, Nagpur

**Shamrao Vithal Co-operative Bank Ltd.**  
Ghatkopar (E), Mumbai

**Bank of India**  
New Panvel Branch, Mumbai

**Central Bank of India**  
Nagpur

**CITI Bank N.A.**  
Fort Branch, Mumbai

**IDBI Bank Ltd.**  
WTB Branch, Mumbai

## Registrar and Share Transfer agent

**AJEL Limited**  
106, Madha Commercial Complex,  
2nd floor,  
Near Oshiwara Police Station,  
Jogeshwari (W), Mumbai-440102  
Contact No. 022-26393197

*Confidence was founded on a vision- to become a milestone  
in alternate eco-friendly fuel LPG/CNG for the nation &  
Make environment-friendly fuels available at every doorstep in the  
safest manner.*

## Chairmans' Message



*Dear Fellow Shareholders,*


On behalf of the Board, it's my pleasure to present to you the 2011 Annual Report of Confidence Petroleum India Limited. Completing 16 years since its establishment, 'CPIL' has recorded another successful year. 'CPIL' is positioned as a reputed cylinder manufacturer, LPG bottler and bottling assistance provider in private sector in India.

'CPIL' has reported the highest-ever growth in 2010-11 with record operating and financial results from each of the

three core segments of Cylinder Production, ALDS (Auto LPG Dispensing Station) and Bottling. 'CPIL' achieved a record turnover of **Rs. 1153.78** and 'PAT' **Rs. 67.26** as against **Rs.553.84** crore and **Rs.29.82** crore in 2009-10 respectively. With this, 'CPIL' has developed a unique position for itself in the market and is on the right track to increase its growth momentum. 'CPIL' has opened up the manufacture and bottling of eco-friendly and cost-effective fuels (LPG and CNG) that protect the environment and reduce cumulative energy expenses. 'CPIL', with its foresightedness, developed core strengths in providing complete LPG infrastructural facilities to Major Public Sector Undertakings in this field. 'CPIL' has progressed on its strategy to bring in accredited partners to jointly develop its existing or potential new businesses. 'CPIL' developed expertise in manufacturing and refilling cylinders, installing auto LPG dispensing stations (ALDS), providing engineering and also developed its own marketing network.

'CPIL' took several strategic initiatives during the year. 'CPIL' entered into partnerships with localities in various cities to set up ALDS and also to establish Bottling Plants all over India. 'CPIL' is building new competencies which will be the basis for a larger footprint in the future. The globalization is on its peak now a days that was not imaginable a few years ago. India is one of the vast markets where consumption of LPG/CNG is increasingly growing year to year. In the current uncertain global economic environment, the performance of Indian economy has been quite strong. Growth in Indian economy and demand creates unpredicted opportunities for the Company to invest significantly in each of its core businesses, including those that leverage directly from growth in consumerism and increase in consumption. Also, demand for petroleum products in India has increased, reflecting a growth of 2.8% in financial year 2011.





As a growing organization, 'CPIL' making the most of the situation taking initiatives from:

- Company has developed unique position in the market globally by starting production of CNG cylinders at SEZs.
- Focusing to establishing 250 auto LPG dispensing stations (ALDS) across India in upcoming years
- Establish new Bottling plant in overseas Market in Indonesia as PT MULTI ARTHA MANDIRI, a subsidiary of P. T. SURYA GO GAS, INDONESIA, which is a subsidiary of Confidence. Due to this new bottling plant our Bottling capacity has increased to the tune of 3000 MT/month.
- Signed global Joint Venture for Gas Meters with Zhejiang Chint Instrument & Meter Co. Ltd, China.
- Plans to launch its new product Auto LPG Kit (2/3/4 wheelers) all over the India.

'CPIL' sets out preemptive measures for preventive gas interruption to the least levels by adopting a high integrity management plan and fail-safe concepts. 'CPIL' is also committed to promote the highest levels of Health, Safety, Environment, and Loss Control in the areas of its business with clear emphasis on improving the environment for sustainable development. 'CPIL' is investing in upstream, city gas distribution, and renewable energy to diversify our revenue stream and to take advantage of emerging opportunities. 'CPIL' has continuously utilized technology to improve offerings to customers and to improve business processes. 'CPIL' is gearing up for the next phase of growth through a combination of our own initiatives and forging new partnerships with leading concerns.

To conclude with this, I am thankful to Board of Directors for their firm support and assistance, I take this opportunity to express my appreciation to all our stakeholders, employees at all levels of their continuing hard work and commitment towards the company. I must assure that 'CPIL' will continue to drive its expansion opportunities towards a value-driven focus on business growth.

***Sincerely,***

**Nitin Khara**  
**Chairman and Managing Director**

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Seventeenth Annual General Meeting of the CONFIDENCE PETROLEUM INDIA LIMITED will be held at "Gala No. 11-12, First Floor, Sita Estate, Vashi Naka, Mahul Road, Next To RCF Police Station, Chembur, Mumbai – 400074 on Friday, the 30th September, 2011, at 02.30 hours to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2011 and the Balance Sheet as on that date together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in the place of Shri Elesh Khara who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in the place of Shri Sumant Sutaria, who retires by rotation and is eligible for re-appointment.
4. To appointment Statutory Auditors and fix their remuneration:  
To consider and, if thought fit, to pass with or without modification the following resolution as an ordinary resolution:  
**"RESOLVED THAT**, M/s. Bhandari & Associates, Chartered Accountants, be and are hereby re-appointed as the Statutory Auditors' of the company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting, on such remuneration as may be determined by the Board of Directors."

### SPECIAL BUSINESS:

5. 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 257 and other applicable provisions, if any, of the Companies Act, 1956 (including any modification or re-enactment thereof) Ashish Bilakhiya who has filed his consent to act as a director pursuant to section 264 of the Companies Act, 1956 and in respect of whom a notice in writing has been received by the Company proposing his candidature for the office of Director under section 257 of the Companies Act, 1956, be and is hereby appointed as Director of the company whose period of office shall be liable to determination by retirement of directors by rotation."
6. To consider and, if thought fit, to pass with or without modification the following resolution as a Special resolution:  
**"RESOLVED THAT**, pursuant to section 31 and other applicable provisions if any, of the companies Act 1956 (including any statutory modification and reenactment thereof, for the time being in force) the Articles of Association of the company be and are hereby altered by deleting the existing Article No. 101:-

"unless otherwise determined by the company in general meeting, each director, other than the whole time paid directors shall not be paid exceeding Rs. 1000/- for each meeting of the Board of Directors or a Committee thereof attended by him. The directors may also be paid all the time expenses as decided by the Board from time to time in attending the meeting of the Board or a Committee of Board" and substituting in it's place the following new Article.

**"Each Director shall be paid out of the funds of the Company for attending the meeting of the Board or of a Committee thereof, by way of sitting fee upto a maximum limit as prescribed in Rule 10B of Companies (Central Government's) general rules and forms 1956 and Section 310 of the Companies Act 1956, for each Meeting of the Board or of a Committee thereof attended by him, as may be decided by the Board from time to time.**

**"RESOLVED FURTHER THAT**, for the purpose of giving effect to this resolution the Board of Director of the company be and is hereby authorized take all such steps and actions and give such directions as may be in it's absolute discretion deemed necessary and to settle any question that may arise in this regard.

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

**"RESOLVED THAT** pursuant to provisions of section 309 and other applicable provisions, if any, of the Companies Act, 1956 (the Act) a sum not exceeding the specified percentage of the net profits of the Company calculated in accordance with provisions of section 198, 349 and 350 of the Act, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and Whole time Directors, if any) in such amounts or proportion and in such manner and in all respect as may be directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each year w.e.f 1st April, 2011.

### NOTES:

1. 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 OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.



## NOTES (Contd.)

- Members are requested to bring their attendance slip along with their copy of annual report to the meeting.
- The Register of Members and Share Transfer Books of the company shall remain closed from 23-09-2011 to 30-09-2011 (both days inclusive).
- 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. Member holding shares in physical form can submit their PAN details to the Company/Registrars and Transfer Agents, M/s. AJEL Limited.
- Members are requested to notify their change of address, if any, to the Company's Registrar & Share Transfer Agent - M/s. AJEL Limited, 106, Link Plaza Commercial Complex Building, New Link Road, Oshiwara, Jogeshwari (West), Mumbai – 400102.
- Members holding shares in single name may avail the nomination facility.
- As required under the Listing Agreement, the particulars of Directors seeking appointment/ re-appointment as Director are given in the Annexure.

## ANNEXURE TO THE NOTICE

### Brief resume of Directors proposed for appointment/Re-appointment

#### **ELESH PUNAMCHAND KHARA (MR.) (S/O LATE SHRI PUNAMCHAND KHARA)**

Age 44  
Education B.COM

Director on Board of following Listed Companies \*

Sr. No.	Company	BSE Scrip Code	First Date of Appointment as a Director	Director Type/ Designation on the Board **	Independent Director
1.	CONFIDENCE PETROLEUM INDIA LTD.	526829	20/04/2004	EXECUTIVE DIRECTOR	NO

Director on Board of following Unlisted Companies/Organizations

#### **Sr.No. Indian Companies/Organizations**

- Taraa LPG Bottling Private Limited
- Hemkunt Petroleum Ltd
- Confidence Go Gas Limited
- Gaspoint Petroleum (India) Ltd
- Essenn LPG Bottling Pvt. Ltd
- Confidence LPG Bottling Pvt. Ltd
- Zhejiang Lanfeng Machine Co Private Limited
- Agwan Coach Private Limited
- Confi Energtek (Asia) Limited
- Virendra Petrochemicals Private Limited
- NNV Finance Limited

#### **Brief Profile covering Experience, Achievements \*\*\***

Mr. Elesh Punamchand Khara, a commerce graduate and a resident of Nagpur. By profession he is a businessman and was assigned to look after the day-to-day activities of the Company. Under his leadership the unit performed very well. He has also expanded the business by setting up a new cylinder manufacturing unit at various places.

#### **SUMANT JAYANTILAL SUTARIA (MR.) (S/O SHRI JAYANTILAL SUTARIA)**

Age 53  
Education B.COM

Director on Board of following Listed Companies \*

Sr. No.	Company	BSE Scrip Code	First Date of Appointment as a Director	Director Type/ Designation on the Board **	Independent Director
1.	CONFIDENCE PETROLEUM INDIA LTD.	526829	20/04/2004	NON-EXECUTIVE DIRECTOR	YES

#### **Brief Profile covering Experience, Achievements \*\*\***

Mr. Sumant Sutaria, aged 53 is an Independent Director of the company resident of Mumbai. He is commerce graduate. By occupation he is business man. He is engaged in the business of LPG Cylinder form last 10 years.

## EXPLANATORY STATEMENT

(Pursuant to Section 173 (2) of the Companies Act, 1956)

### Item no. 5

Mr. Ashish Bilakhiya is proposed to be appointed as an independent director of the company by the board of directors w.e.f 30th September, 2011 pursuant to section 257 of the Companies Act, 1956. Candidature has been received from a member alongwith deposit of Rs. 500/- signifying his intention to propose Mr. Ashish Bilakhiya as a candidate for the office of independent director.

The Board of Directors has consented to appoint Mr. Ashish Bilakhiya as an Independent Director of the company liable to retire by rotation on terms and conditions as set out in the Article of Association of the company, subject to the approval of Shareholders of the company.

No Director other than Mr. Ashish Bilakhiya is concerned or interested in the resolution.

### Item no. 6

Considering the fact that all the directors are outstation Directors except Managing Director and Executive Director and considering further the high cost of living the sitting fee is proposed to be increased to the maximum permissible limit under the act.

The proposal to increase the sitting fees as aforesaid would require amendment in the Article 101 of the Articles of Association for which approval of the shareholders would be required in the general meeting. Hence, this Special Resolution is Required to be passed.

All the directors are deemed to be concerned or interest in the resolution.

### Item No. 7:

Taking into account the responsibilities of the Directors, it is proposed that the terms of section 309 of the Companies Act, 1956, the directors apart from the Managing Director and Whole time Directors, if any) be paid, for each of the financial years of the Company commencing from 1st April, 2011 remuneration not exceeding the specified percentage of the net profits of the Company calculated in accordance with the provisions of Companies Act, 1956. This remuneration will be distributed amongst all or some of the Directors in accordance with the directors given by the Board.

Only Executive Directors of the Company except the Managing Director are concerned or interested to the extent of the remuneration that may be received by them.

**By order of the Board of Directors**

Sd/-

**NITIN KHARA**  
**MANAGING DIRECTOR**

Place: Nagpur,  
Dated: 13th August, 2011

# Directors' Report

## To

### The Members

#### Confidence Petroleum India Limited,

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

Your Directors have pleasure in presenting the 17th Annual Report of the Company, together with the audited accounts for the year ended 2010 - 2011. The summarized results for the year ended 31st March 2011 are as under: -

### Financial Results

The performance of the Company for the financial year ended 2010-11 is summarized below: -

#### Standalone Figures:-

Particulars	For the financial year ended 31st March, 2011 (Rs.Crore)	For the financial year ended 31st March, 2010 (Rs.Crore)
Turnover (including other income)	651.46	353.54
Net Profit/(loss) Before tax	66.25	32.29
Provision for tax	14.69	05.50
Deferred income tax	05.50	02.61
Profit/(loss) after tax	45.87	24.17
Profit/(loss) brought forward	48.50	24.33
Balance carried over to Balance sheet	94.38	48.50

### Auditors

M/s. Bhandari & Associates, the Statutory Auditors of the company, retires at the forthcoming Annual General Meeting and is eligible for re-appointment. The retiring auditors, having furnished a certificate of their eligibility for re-appointment under section 224(1B) of the Companies Act, 1956 and have indicated their willingness to continue. The board recommends their reappointment.

### Consolidated Financial Statements

In compliance with the Accounting Standard 21 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for the financial year 2010 - 11. From the Consolidated Profit and Loss Account, it may be observed that the Turnover grew by 48 per cent to Rs. 1153.78 Crore as compared to Rs. 553.84 Crore in the previous year. Similarly, profit after tax and after minority interest for the year was Rs. 62.91 Crore, higher by Rs. 33.97 Crore as compared to Rs. 28.94 Crore recorded in the previous year.

### Director

Shri Ashish Bilakhiya appointed as independent director u/s 257 of Companies Act 1956 w.e.f. 30th September, 2011 to Comply as per Clause 49 of the Listing Agreement.

### Credit Rating

CRISIL in its recent report (IER-Independent Equity Research Q4FY11) has assigned to the Company grade 3/5 for fundamentals and grade 4/5 for valuations. Company's fundamental Grade of '3/5' indicates that the fundamentals of the company are 'good' relative to other listed securities in India. The Valuation Grade of '4/5' indicates that there is a 'Upside' to the current market price from a fundamental perspective'. This rating reflect the company's financial discipline and prudence.

### Internal Control System

The Company's internal control system comprises audit and compliance by in-house Internal Audit Division. The internal auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by the direct reporting of Internal Audit Division and Internal Auditors to the Audit Committee of the Board.

### Subsidiaries

In accordance with the general circular 02/2011 Dated 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India, for general exemption u/s 212 (8) of the Companies Act, 1956 the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the Subsidiary Companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The Annual Accounts of the subsidiary Companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.



## Auditors' Report

The observations of Auditors in their report, read with the relevant notes to accounts in Schedule U, are self explanatory and do not require further explanation.

### Particulars of Employees

There were no employees drawing salary more than the amount as provided under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

In terms of Section 217 (1) (e) of the Companies Act, 1956 and the rules made there under, relevant information about:

Energy conservation items	: Nil
Technology Absorption items	: Nil
Foreign Exchange earnings and Outgo	: Earning of foreign currency during the year is Rs.65,37,344 and Outgo is made under following heads

Particulars	2010-11 Rs. In Lacs
For Purchase of CNG Pipe and Raw materials	932.54
For Purchase of Glycerine and other trading goods	0
For Purchase of LPG Dispensers	33.68
For Investment in Equity of Foreign Subsidiary (PT Surya Go Gas, Indonesia)	278.94

### Director's Responsibility Statement:

Pursuant to section 217(2AA) of the Companies Act, 1956 the Directors confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures,
- (ii) The directors had 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 and of the profit or loss of the company for that period.
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,

- (iv) The directors had prepared the annual accounts on a going concern basis.

### CORPORATE SOCIAL RESPONSIBILITY:

Corporate Social Responsibility (CSR) is the concept whereby organizations integrate social and environmental concerns into their business operations and into their interaction with their stakeholders on a voluntary basis.

'CPIL' aims to be recognized as an organization that is transparent and ethical in all its dealings as well as making a positive contribution to the community in which it operates. At a time when global environmental issues are becoming more critical than ever, environmental protection is an obligation that any corporate citizen owes to Nature and to the society, for we have a duty to protect the home that we mutually share.

'CPIL' feels that it is good practice to devote a part of this financial annual report to a discussion of current developments, our approach to corporate social responsibility and the practical issues we shall focus on in the coming period. We measure the added value of 'CPIL' by more than just financial performance. Other issues are also important, including employment, health and safety, sponsorship of worthy causes, employee participation, energy and environmental and social issues. Besides focusing on the welfare of economically and socially deprived sections of society, CPIL also aims at developing techno-economically viable and environment-friendly products for the benefit of millions of consumers, while at the same time ensuring the highest standards of safety and environment protection in our operations.

### Acknowledgement

Your directors wish to place on record their appreciation of the admirable support received from the company's bankers, employees and all other stakeholders connected with the company.

For and on behalf of the Board Director

Sd/-

Sd/-

Nitin Khara  
Managing Director

Elesh Khara  
Director

Place: Nagpur  
Dated: 30th May, 2011

## 'Annexure I'

### Statement Pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies

Financial Information of Subsidiary Companies for the year ended on 31st March, 2011

Rs. In Lacs

Sr. No.	Name of Subsidiary Company	Reporting Currency	Holding Company Interest	Holding in No. of Shares	Capital	Reserves	Total Assets	Total Liabilities	Invest-ments	Turnover /Total Income	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Country
1	Confidence Go Gas Limited	INR	100.00%	2,00,00,000	200.00	12.17	833.95	833.95	195.31	38936.53	3.20	0.65	2.55	0	India
2	Envy Cylinders Pvt Ltd.	INR	100.00%	1,61,37,970	161.38	(28.42)	667.63	667.63	38.72	2232.30	35.07	7.22	27.84	0	India
3	Laxminimal Petrochemicals Pvt. Ltd.	INR	100.00%	4,08,00,000	408.00	(43.61)	377.75	377.75	0.00	0.04	(16.09)	0.00	(16.09)	0	India
4	Virendra Petrochemicals Pvt. Ltd.	INR	100.00%	2,36,00,000	236.00	(17.97)	218.87	218.87	0.00	0.00	(5.65)	0.00	(5.65)	0	India
5	Agwan Coach Private Limited	INR	100.00%	2,45,35,671	245.36	(90.76)	157.59	157.59	0.00	256.07	(3.66)	0.00	(3.66)	0	India
6	Keppy Infrastructure Developers Private Limited	INR	100.00%	27,65,000	27.65	(21.95)	23.27	23.27	0.00	86.68	(3.31)	0.00	(3.31)	0	India
7	Hemkunt Petroleum Limited	INR	100.00%	12,30,000	12.30	(144.50)	(132.20)	(132.20)	3.85	71.97	(1.58)	0.00	(1.58)	0	India
8	Taraa LPG Bottling Private Limited	IDR	100.00%	1,00,000	1.00	(21.07)	38.93	38.93	0.00	39.45	(2.98)	0.00	(2.98)	0	India
9	PT Surya Indonesia	IDR	70.00%	35547960000	507828.00	523147.90	1179041.18	1179041.18	0.00	1813396.77	467616.69	35029.62	432587.07	0	Indonesia

For and on behalf of the Board Director

Sd/-

Nitin Khara  
Managing Director

Sd/-

Elesh Khara  
Director

Place: Nagpur  
Dated: 30th May, 2011

# Management Discussion and Analysis

## **Forward looking statements**

Forward-looking information includes, but is not limited to, reference to business strategy and goals, future capital and other expenditures, reserves and resources estimates, drilling plans, construction and repair activities, the submission of development plans, seismic activity, production levels and the sources of growth thereof, project development schedules and results, results of exploration activities and dates by which certain areas may be developed or may come on-stream, royalties payable, financing and capital activities, contingent liabilities, and environmental matters.

By its very nature, such forward looking information requires Company to make assumptions that may not materialize or that may not be accurate. This information is subject to known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such information.

## **INDUSTRY STRUCTURE AND DEVELOPMENT:**

As a significant catalyst in fuelling the growth of the Indian economy, the oil and gas sector presents a powerful scope for investors in the years to come. As energy demand grows, oil and gas companies will have a major role to play in meeting the rising demand. The Indian economy was one of the few bright spots with Gross Domestic Product (GDP) estimated to have grown at 8.5% during the year.

Currently, India's total demand for the petroleum products is estimated at around 140 million tons per annum (MTPA). This creates a spare capacity of 48 MTPA at the refineries. The spare capacity will increase to around 90 MTPA. The domestic demand is expected to be around 142-143 million tons per annum. Demand for petroleum products rose by 4.4 per cent (year-on-year) to 144.35 million tons (MT) during the financial year 2010-11, (Figures released by the Petroleum Planning and Analysis Cell (PPAC)).

Entailing an investment of US\$ 13.33-14.44 billion, India's petroleum refining capacities are expected to rise to 240 MTPA by 2012 from the current 188 MTPA. The capacity addition would facilitate a boost in country's exports of petroleum products.

With an objective of growing concern, Company is investing its resources in core businesses across the integrated energy chain. The Company has developed, identified and executed projects while applying best practices that ensure superior project returns across a range of scenarios. It has delivered industry-leading financial and operating results that multiply long term shareholders value. The Company's operations continue to be mainly focused on procuring more contracts for manufacturing of cylinders for domestics & oversease market and filling/Bottling of LPG cylinders for PSUs. Although competition will increase, 'CPIL', with their traditional strengths in the market is expected to keep growing.

## **LPG**

LPG was introduced as a domestic fuel in the 1960s. Until the economic reform programs were put into operation, state-owned companies handled the entire production and marketing of LPG. The three sources of supplies were refineries, fractionation of associated gas from oil fields and imports. As of early 2000s, about half of domestic LPG production is based on crude oil and the other half comes from natural gas. The demand for LPG has grown from less than 200,000 tons in 1970-71 to about 5 MT in 2000. The average growth rate in demand has been around 12% annually. There are around 40 million LPG customers.

LPG possesses simple chemical structure which promotes clean burning with reduced levels of combustion by-products. The value of switching to LPG is self evident. It is with this health-oriented perspective that the Indian Government focused on the increased level of new LPG connections in upcoming years. LPG (called auto gas when used as an automotive fuel) is the most widely available and accepted alternative fuel for road transport. An extremely low penetration of natural gas vehicles in Asia and 2% for high-growth markets like India and China – signifies a growing opportunity, going forward. The year 2010-11 was an eventful year for the LPG Business. In many instances, LPG/ CNG fuel systems are fitted to vehicles as an aftermarket conversion, though in some markets, particularly in Asia, factory-built LPG vehicles represent a large and growing proportion of new vehicles. These characteristics have made LPG a popular fuel for domestic, commercial, industrial, agricultural and transport applications.





### **ALDS (Auto LPG Dispensing Station):**

Following the de-regulation of petrol price, auto LPG, the greener and cheaper fuel is quietly making inroads in the auto fuel market. Today, Auto LPG is available in more than 350 Cities with a network of close to 900 Station across the country, which makes it the most widely available alternate fuel. This has encouraged an increasing number of vehicle owners to convert to Auto LPG, an economical & environment friendly fuel, paving way for India to become one of the leading Auto LPG markets of the world in the next few years. India is estimated to have 1.6 million vehicles run on Auto LPG.

Confidence through its 100% subsidiary '**Confidence Go Gas Ltd**' has entered into long term agreement to supply LPG to major multinational companies for automobiles in India.

"CPIL has setup 99 Auto LPG Dispensing Station (ALDS) across the Country. The Company in also focusing to establish 500 Auto LPG dispensing Station (ALDS) across India in upcoming years."

### **INTERNATIONAL TRADE:**

In financial year 2010-11, Company has implemented their expansion plan in India as well as in overseas. The Company has established new Bottling plant in overseas Market in Indonesia as PT MULTI ARTHA MANDIRI, a subsidiary of P. T. SURYA GO GAS, INDONESIA, which is a subsidiary of Confidence. This new contract will materially increase Company's resources base and provide Company with the new platform to grow its exploration and production business while simultaneously enhancing its ability to operate unconventional resource projects in the future.

### **OPPORTUNITIES AND THREATS:**

India's GDP is expected to grow at a healthy rate in the coming years. As energy demand grows, oil and gas companies will have a major role to play in meeting the rising demand. The Government of India has ambitious plans of giving a big push for making available LPG in rural areas. This will offer significant potential to the oil companies for enhancing their sales volumes. Confidence also continues to strive for maximizing value through increased sales of commercial LPG where prices are decontrolled. As per the policies implemented by Government, 100 per cent FDI is allowed for petroleum products and pipeline sector as well as natural gas/LNG pipeline, for infrastructure related to marketing of petroleum products, market study of formulation and investment financing. With this, we are planning to enter into business of pipeline sector.

### **RISKS AND CONCERNS:**

In the oil & gas business, development operations present technological challenges and operating risks. The challenge for the Company is to ensure optimum level of production, safe and reliable operations while maintaining the highest level of health, safety and environment standards.

High safety standards were maintained during the year leading to good all round safety performance. CPIL continued to adopt a holistic approach on Workplace Health, Safety, Security and Environment as prime areas with a view to achieve sustainable performance.

### **INTERNAL CONTROL SYSTEMS:**

Company has a system of internal controls to ensure optimum utilization and protection of resources, IT security, speedy and accurate reporting of financial transactions and compliance with applicable laws and regulations, as also internal policies and procedures. The internal audit committee is empowered to examine the adequacy and compliance with policies, plans and statutory requirements. Audit reports, significant risk area assessment and adequacy of internal controls are also periodically reviewed by the Audit Committee through meetings held with Management, Internal Audit and the Statutory Auditors.

### **HUMAN RESOURCES DEVELOPMENT:**

It is CPIL's continued attempt to enhance its growth through the effective development of its human resources. The Company has emphasized on the need for the skills and knowledge to successfully meet its requirements. The Company continues to focus on training its employees on a continuous basis both on the job and through training programmes to help them face business/industrial challenges.

# Corporate Governance Report

## **Company's Philosophy on Corporate Governance:**

Corporate Governance essentially is the system by which companies are directed and controlled by the management in the best interest of the stakeholders and others. Corporate Governance ensures fairness, transparency and integrity of the management. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Company. The Company would continue to strengthen its principles of transparency, fairness, and accountability to generate long-term value for its shareholders on a continuous and sustainable basis in harmony with the interests of all the other stakeholders.

## **BOARD OF DIRECTORS**

The Board comprises of 5 (Five) Directors of whom 3 (Three) are Executive Directors and 2 (Two) are Non-Executive/Independent Directors. Mr. Nitin Khara is Promoter and Chairman & Managing Director of the Company.

In accordance with the provisions of Clause 49 of the Listing Agreement, not less than 50% of the Board consists of Non-Executive and Independent Directors to comply this Clause an Independent director is appointed in the AGM.

## **The composition of the Board of Directors is as under:**

Name of the Director	Relationship with other Directors
Mr. Nitin Khara	Brother of Mr. Nalin Khara and Mr. Elesh Khara
Mr. Nalin Khara	Brother of Mr. Nitin Khara and Mr. Elesh Khara
Mr. Elesh Khara	Brother of Mr. Nitin Khara and Mr. Nalin Khara
Mr. Jitendra Jain	None
Mr. Sumant Sutaria	None

## **Attendance of Directors at Board Meetings and Annual General Meeting:**

There were in all 10 Board meetings held during the financial year under review:

15th May, 2010, 31st May, 2010, 14th August, 2010, 07th September, 2010, 05th October, 2010, 23rd October, 2010, 12th January, 2011, 01st February, 2011, 01st March, 2011, 22nd March, 2011.

## **Details of attendance of Directors were as under:**

Name of Director	Number of Board Meeting attended	Last Annual General Meeting attended
Mr. Nitin Khara	10	YES
Mr. Nalin Khara	9	YES
Mr. Elesh Khara	10	YES
Mr. Jitendra Jain	10	YES
Mr. Sumant Sutaria	7	YES

### Board Members and their Directorship in other Public Limited Companies:

Name of Director	Executive/ Non-Executive/ Independent	Directorship in other Public Limited Companies	(*) Committee positions in other public limited companies (as Chairman)
Mr. Nitin Khara	Executive	5	Nil
Mr. Nalin Khara	Executive	5	Nil
Mr. Elesh Khara	Executive	5	Nil
Mr. Jitendra Jain	Independent	Nil	Nil
Mr. Sumant Sutaria	Independent	Nil	Nil

(\*) For considering the limit of the committees on which a director can serve:

a) all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 25 of the Companies Act have been excluded

b) Chairmanship/ membership of the Audit Committee and the Shareholders' Grievance Committee alone have been considered.

### Remuneration and Shareholding of Directors:

Details of monthly remuneration of Executive Directors of the Company are as under:

Sr. No.	Particulars	Mr. Nitin Khara	Mr. Nalin Khara	Mr. Elesh Khara
1.	Salary & Perquisites	5,83,333	Nil	Nil
2.	Provident Fund	Nil	Nil	Nil
3.	Superannuation Fund	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil

### Non-Executive Director's Compensation:

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.

### List of Non- Executive/ Independent Directors along with their Shareholding is as under:

Sr. No.	Name of the Directors	No. of Shares held
1.Mr.	Jitendra Jain	Nil
2.Mr.	Sumant Sutaria	34,145

### MANAGEMENT COMMITTEE:

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

The Management Committee comprises three Directors namely:

- 1.Mr. Nitin Khara (Chairman)
- 2.Mr. Nalin Khara
- 3.Mr. Jitendra Jain

### Meetings of the Committee:

17th May, 2010, 20th May, 2010, 25th June, 2010, 11th August, 2010, 01st September, 2010, 21st November, 2010 and 22nd March, 2011.



## **AUDIT COMMITTEE**

The Audit Committee comprises two independent directors namely Shri Sumant Sutaria, Chairman and Shri Jitendra Jain and one Executive Director Shri Elesh Khara. Members of the Audit Committee possess expert knowledge of Accounts, Audit and Finance. The composition of the Audit Committee meets with the requirements of section 292A of the companies Act, 1956 and Clause 49 of Listing Agreement.

### **TERMS OF REFERENCE:**

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, performance and remuneration of the statutory auditors, the performance of internal auditors and the company's risk management policies.

The Audit Committee meetings were held on May 31, 2010, August 14, 2010, October 23, 2010 and January 24, 2011.

The attendance at these meetings was as under:

Name of the Directors	No. of Meetings Attended
Mr. Sumant Sutaria (Chairman)	4
Mr. Jitendra Jain	4
Mr. Elesh Khara	3

## **REMUNERATION COMMITTEE**

The Remuneration Committee of the Board comprises two Independent Director Shri Jitendra Jain (Chairman), Shri Sumant Sutaria and one Executive Director Shri Elesh Khara.

### **TERMS OF REFERENCE:**

The Remuneration Committee has been constituted to recommend/review remuneration of the Directors based on their performance and defined assessment criteria. The remuneration policy of the company is directed towards rewarding performance, based on review of achievements on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practice.

The Committee meeting was held once during the year 2010 – 2011 on 23rd November, 2010 and all the three members of the Committee were present in the meeting.

## **SHAREHOLDERS AND INVESTORS GRIEVANCE COMMITTEE**

The shareholders and investors grievance committee of the Board Comprises three Directors namely Shri Sumant Sutaria (Chairman), Shri Jitendra Jain and Shri Elesh Khara.

### **TERMS OF REFERENCE:**

The shareholders and investors grievance committee, inter alia, approves issue of Exchange share certificates and oversees and reviews all matters connected with transfer of securities of the company. The committee also looks into redressal of shareholders and investors complaints related to transfer of shares, non receipt of Balance Sheet etc. The committee oversees performance and report of the registrars and transfer Agents of the company (M/s. Ajel Infotech Limited) regarding number of various types of complaints/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, 1992.

The Committee meetings were held on 22nd July, 2010, 30th October, 2010, 28th December, 2010 and 25th March, 2011 and were attended by all members.

During the financial period, the Company received 1 complaints and nil pending complaint of the previous year. The complaints received during the year were resolved and one complaint remained pending. The Company does not have any complaints, not attended at the closure of the year under review.

## General Body Meeting

Last three Annual General Meetings of the Company were held at the venue and the time as under:

Year	Date of Annual General Meeting	Time of Meeting	Venue
2009-2010	30th September, 2010	2.00 pm	Gala No. 11-12, First Floor, Sita Estate, Vashi Naka, Mahul Road, Next To RCF Police Station, Chembur, Mumbai – 400074
2008 – 2009	28th December, 2009	2.00 pm	Gala No. 11-12, First Floor, Sita Estate, Vashi Naka, Mahul Road, Next To RCF Police Station, Chembur, Mumbai – 400074
2007 – 2008	30th September, 2008	11.00 am	Uttarbhartiya Sangh Building, Mumbai

## Extra – Ordinary General Meeting

Year	Date of Extra - Ordinary General Meeting	Time of Meeting	Venue
2010-2011	3rd November, 2010	02.00 P.M	Gala No. 11-12, First Floor, Sita Estate, Vashi Naka, Mahul Road, Next To RCF Police Station, Chembur, Mumbai – 400074
2009 – 2010	8th June, 2009	11.45 A.M	Silk Merchant Association Hall, Kalbadevi Road, 480, Dhanukar Building, 1st Floor, Room No. 26, Mumbai – 400002
2008 – 2009	Nil	Nil	Nil

**C) Date of Book Closure:** 23-09-2011 to 30-09-2011 (Both days inclusive).

### D) Listing of Stock Exchange and Stock Code:

Bombay Stock Exchange Limited (BSE)  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai-400001  
Scrip Code-526829  
ISIN- INE55S2D01024

### E) Registrar & Transfer Agents:

AJEL LIMITED, 106, Link Plaza Commercial Complex Building, New Link Road, Oshiwara, Jogeshwari (West), Mumbai – 400102. Phone: 022 –26393197, 26303348

### F) Share Transfer System:

Share Transfers are processed and share certificates returned within a period of 30 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.

### G) Stock Market Price for the year 2010-11:

Face Value per Equity Share – Rs. 1/-

Month	High Price	Low Price	Open Price	Close Price
April, 2010	9.40	8.05	8.40	8.99
May, 2010	9.10	7.40	8.97	7.99
June, 2010	8.42	7.48	7.82	7.61
July, 2010	8.75	7.50	7.60	7.64
August, 2010	15.14	7.63	7.85	14.68
September, 2010	19.35	14.11	14.68	17.39
October, 2010	23.35	17.20	17.90	21.20
November, 2010	27.00	16.75	21.15	20.20
December, 2010	23.10	14.10	20.85	19.85
January, 2011	20.70	14.65	20.15	18.00
February, 2011	20.50	14.20	19.95	17.60
March, 2011	18.70	16.00	17.85	16.10

### H) Shareholding Pattern as on March 31, 2011:

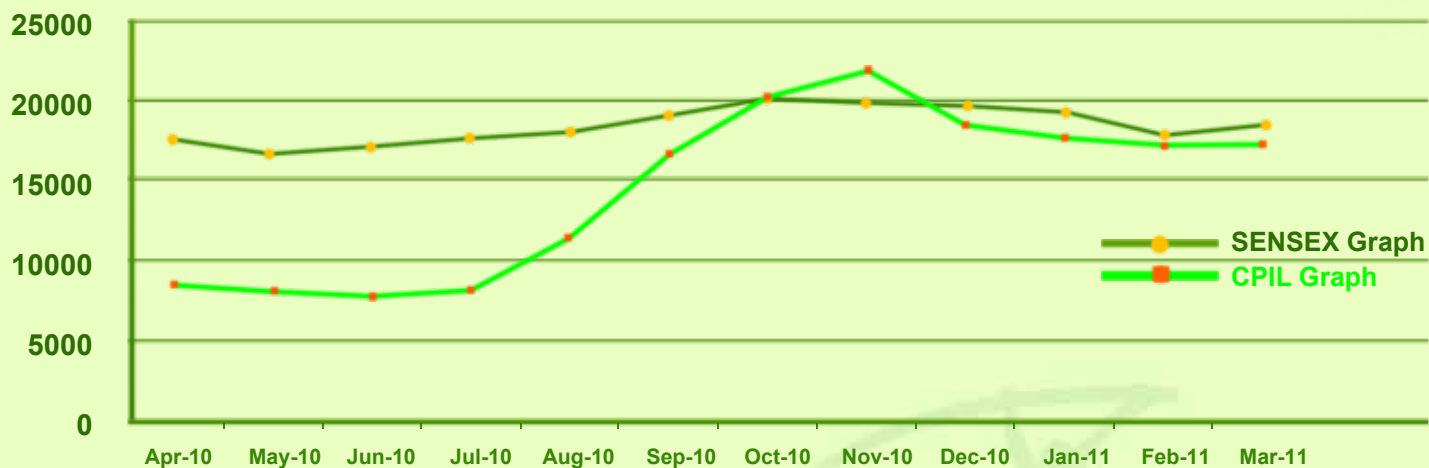
CATEGORY	NO. OF SHARES	PERCENTAGE
<b>(A) Promoter and Promoter Group</b>		
Indian	119,446,097	46.15
Foreign	0	0.00
<b>(B) Public</b>		
<b>1) Institutions</b>		
Foreign Institutional Investors	6,803,697	2.63
<b>2) Non-Institutions</b>		
Bodies Corporate	28,719,152	11.10
Individuals	58,440,431	22.58
Non-resident Indians	1,757,503	0.68
<b>(C) Custodians</b>	43,668,120	16.87
<b>TOTAL</b>	<b>25,88,35,000</b>	<b>100.00</b>

### I) Distribution of Shareholding as on March 31, 2011:

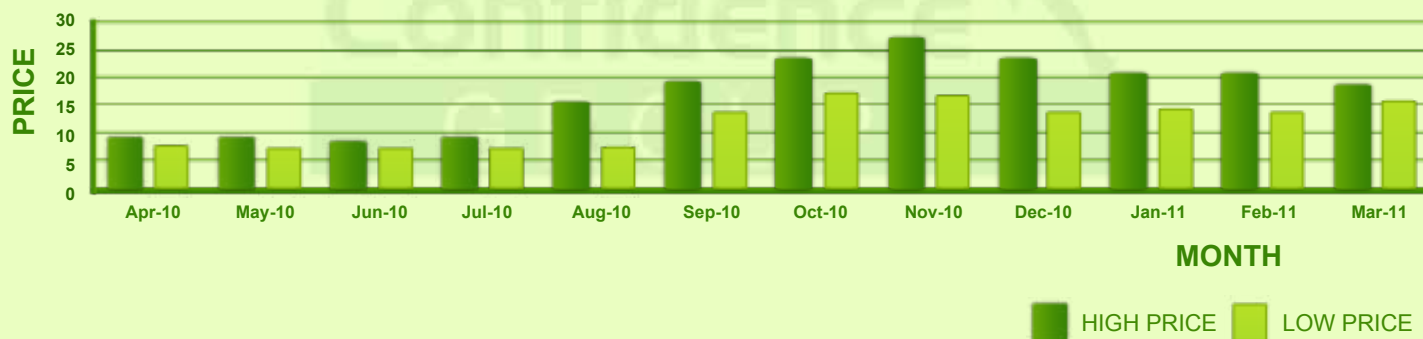
SLAB OF SHAREHOLDING DISTRIBUTION	SHAREHOLDERS		SHARES VALUE	
	TOTAL HOLDERS	% AGE OF HOLDERS	FACE VALUE (RS.)	IN % AGE
0,001 - 5,000	17,963	91.86	1,80,20,330	6.96
5,001 - 10,000	757	3.87	58,57,271	2.26
10,001 - 20,000	363	1.86	52,89,835	2.04
20,001 - 30,000	148	0.76	37,30,132	1.44
30,001 - 40,000	91	0.46	31,73,096	1.22
40,001 - 50,000	41	0.21	19,65,298	0.75
50,001 - 1,00,000	83	0.42	60,12,200	2.32
1,00,001 - 9,99,99,999	108	0.55	21,47,86,838	82.98
<b>TOTAL</b>	<b>19,554</b>	<b>100</b>	<b>25,88,35,000</b>	<b>100</b>



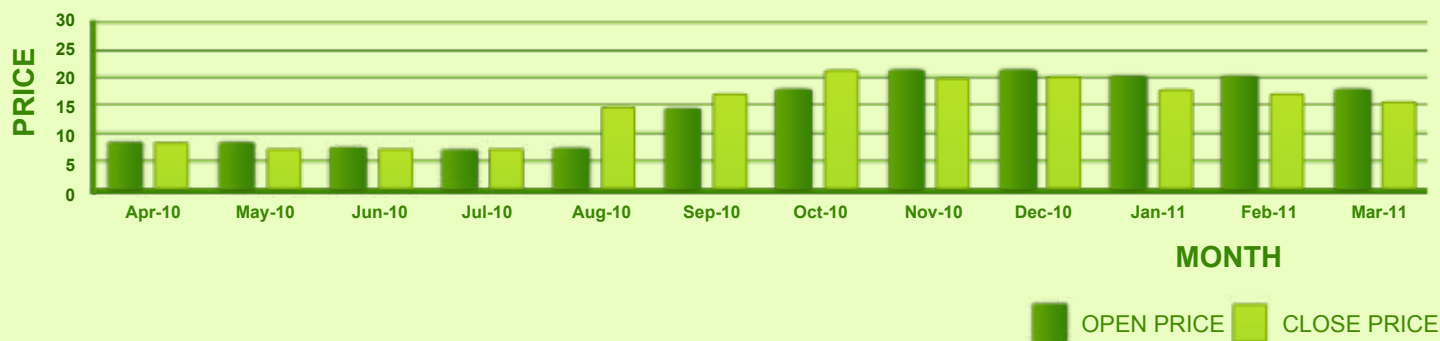
### J) Historic Graph of Confidence Petroleum India Limited with BSE Sensex (2010-11):



### K) HIGH -LOW PRICE OF SHARE OF COMPANY DURING THE FINANCIAL YEAR 2010-11



### L) OPEN-CLOSE PRICE OF SHARE OF COMPANY DURING THE FINANCIAL YEAR 2010-11



**L) Dematerialization:**

As on March 31, 2011, out of total of 25,88,35,000 Shares, 148,837,800 (57.50%) shares, are held in dematerialized form and the balance 109,997,200 shares are held in Physical Form.

**M) Outstanding GDRs/ ADRs/ Warrants or any convertible instruments:**

There has been no issue of GDR/ADRs/Warrants or any convertible instruments.

**N) Works:**

1.Khasra No. 428,  
Village Gajangarh,  
Dist. Pali, Rajasthan.

2.Arazi No. 120, Gulab Nagar,  
Village Kheroda,  
Dist. Udaipur, Rajasthan

3.Village Paud, P. O. Majgaon,  
Rasayani, Taluka Khalapur,  
Dist. Raigad,  
Maharashtra-410207  
(Cylinder Manufacturing unit-I)

4.Village Paud, P. O. Majgaon,  
Rasayani, Taluka Khalapur,  
Dist. Raigad,  
Maharashtra-410207  
(Cylinder manufacturing 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.Near D. R. Container,  
Near to Rcf Gate no. 2,  
Mahul-Chembur Road,  
Mahul, Mumbai (HPCL)

8.Near D. R. Container,  
Near to Rcf Gate no. 2,  
Mahul-Chembur Road,  
Mahul, Mumbai (BPCL)

9.Village Kinathkuda,  
Taluka Pollachi, Arsapalyam,  
Dist. Coimbatore,  
State Tamil Nadu,

10. Khasra No. 152/154,  
Bhagwanpur,  
Tah. Roorkee,  
Dist. Haridwar,  
State Uttaranchal-262401

11. Khasra No. 96 & 386/2,  
Khuna Jhirikhurd,  
Dist. Chindhwara,  
Madhya Pradesh

12. Khasra 10/8784/17,  
Village Bhatara Ki Sarai,  
NH76, Taluka Vallabh Nagar,  
Udaipur, Rajasthan

13. Kh. No. 19411,  
Halka No. 67, Jabalpur-Bhopal Road,  
Tal. Sahapur, Kiszoodh,  
Jabalpur (M.P)

14. Sai Udhyan,  
Village Banmor,  
Dist. Morena,  
Gwalior, (M.P)

15. Survey No. 235 to 239,  
Bannakheda Road,  
Village Vikrampur,  
Bazpur,  
Udhamsingh Nagar,  
Uttarkhand

16. Survey no. 338,  
Post Noorpura,  
Village & Taluka Halol,  
Panchmahal, Gujarat

17. Survey No 139  
(Part) 7 123 (Part) of Janguluru,  
Revenue Village,  
Achutapuram Mandal,  
Vishakhapatnam (A.P)

18. Gate No. 637, Dindori,  
Nashik, Maharashtra

19. Near Railway Station,  
Post Kalmeshwar,  
Dist. Nagpur

20. Khasra No. 60 & 61,  
32 KM Milestone,  
Nagpur-Saoner Road,  
Gram Burujwada,  
Tah. Saoner, Nagpur

21. Village Sannna,  
Tah. Damoh, Dist. Damoh,  
Madhya Pradesh

**O) Shareholders and Investors Correspondence:**

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

**M/s. Ajel Limited,**  
106, Link Plaza Commercial Complex  
Building, New Link Road, Oshiwara,  
Jogeshwari (West),  
Mumbai – 400102.

**Cont No. 022-26393197, 26303348**



## CEO CERTIFICATION TO THE BOARD

(Under Clause 49(V) of Listing Agreement)

### I Certify that --

- A. I have reviewed the financial statements and the cash flow statement for the year 2010-11 and that to the best of my knowledge and belief:
- I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - II. These statements together present a true and fair view of the Bank's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year 2010-11 which are fraudulent, illegal or violative of the Company's code of conduct;
- C. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee -
- I. Significant changes in internal control over the financial reporting during the year 2010-11;
  - II. Significant changes in accounting policies during the year 2010-11 and that the same have been disclosed in the notes to the financial statements; and
  - III. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-

**Nitin Khara**

**Managing Director and Chief Executive Officer**

Place: Nagpur

Date: 30th May, 2011





## Declaration by the Managing Director under Clause 49 of the Listing Agreement regarding compliance with Code of Conduct

In accordance with Clause 49 I (D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial period ended March 31, 2011.

For Confidence Petroleum India Limited

Sd/-

Nitin Khara  
Managing Director

Place: Nagpur  
Date: 30th May, 2011



# AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

***The Members of Confidence Petroleum India Limited***

We have examined the compliance of conditions of corporate governance by Confidence Petroleum India Limited ('the Company'), for the year ended on March 31, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange.

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.

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.

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 BHANDARI & ASSOCIATES  
Chartered Accountants  
FRN-112683W

**L R Bhandari**  
Proprietor  
Membership No 33168

Place: Mumbai  
Date: 30th May, 2011



# Auditors' Report

To the Members,

## **CONFIDENCE PETROLEUM INDIA LIMITED**

1. We have audited the attached Balance Sheet of CONFIDENCE PETROLEUM INDIA LIMITED "the Company" as at 31st March, 2011, the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together "the Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 of India (the "Act") and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

4. Further to our comments in the Annexure referred to in Paragraph 3 above, we report that:

a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit ;

b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books ;

c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account ;

d) In our opinion, Balance Sheet and Profit & Loss account, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956 ; and

e) On the Basis on the written representations received from the directors as on 31st March 2011, and taken of records by the Board of Directors, we report that none of the directors of the company are disqualified as on 31st March 2011 from being appointed as a director, in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.

f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts read together with notes appearing in Notes to Accounts and Accounting Policies, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

i) in case of Balance Sheet of the state of affairs of the Company as at 31st March, 2011, and

ii) in case of Profit and Loss account of the Profit for the year ended on that date.

iii) in case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

**For Bhandari and Associates**  
Chartered Accountants  
FRN-112683W

L. R. Bhandari  
Proprietor  
M. No. 33168

Place: Mumbai,  
Dated: 30th May, 2011



# Annexure to the Auditors' Report

- i)(a) The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
- (b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion the frequency of verification is reasonable.
- (c) In our opinion and according to the information and explanation given to us, the Company has not disposed of substantial part of its fixed assets during the year.
- ii)(a) The inventory of the Company has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, and according to the information & explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion, and according to the information & explanation given to us, the Company has maintained proper records of its inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii)(a) As informed to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. The loans outstanding that were repayable on demand have been recovered along with interest; as applicable.
- b) In respect of loan taken by the Company from the aforesaid parties, there is no fixed repayment schedule. In respect of these loans, no interest is being paid and the principal amount is repayable on demand.
- c) There is no overdue amount in respect of loan taken by the company.
- iv) In our opinion, and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company and according to the information and explanation given to us, we have neither come across nor we have been informed of any continuing failure to correct major weaknesses in the internal control system.
- v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under the Section.
- (b) In our opinion and according to the information and explanation given to us, transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public, falling within the purview of Section 58A and 58AA or any other relevant provision of the Act and the Companies (Acceptance of Deposits) Rules, 1975 and the rules framed there under during the year under review.
- vii) In our opinion and according to the information and explanations given to us, the company has an adequate Internal Audit system commensurate with its size and the nature of its business.
- viii) According to the information & explanations given to us, the Company has not been ordered to maintain cost records as prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.

ix) (a) According to the information and explanations provided to us and the records of the Company examined by us, in our opinion, the Company was regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed arrears that were outstanding as at 31st March 2011 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on the records of the Company examined by us, as on 31st March 2011, there were no dues in respect of Excise Duty, Sales Tax, Income Tax, Wealth Tax, Service Tax, Customs Duty and Cess that have not been deposited with the appropriate authorities on account of dispute.

x) In our opinion, the Company has no accumulated losses as at 31st March, 2011. The Company has also not incurred cash losses from operations during the current and the immediately preceding financial year.

xi) According to the information and explanation given to us by the management, In our opinion, the company has not defaulted in repayment of dues to any financial institution or banks.

xii) According to the information and explanation given to us by the management, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xiii) The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.

xiv) In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.

xv) To the best of our knowledge and belief and according to the information & explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions except particulars in Note No. 2 in Schedule "U" Part 2 – notes to accounts.

xvi) In our opinion, the Company has used term loans for the purpose for which they were obtained.

xvii) On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanation given to us, there are no funds raised on short-term basis which have been used for long-term investments.

xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.

xix) In our opinion, no debenture have been issued by the Company and hence, the question of creating securities in respect thereof does not arise.

xx) The Company has not raised any money by public issue during the year.

xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **Bhandari and Associates**  
Chartered Accountants  
FRN-112683W

**L. R. Bhandari**  
Proprietor  
M. No. 33168

Place: Mumbai,  
Dated: 30th May. 2011

## Balance Sheet As at 31st March, 2011

PARTICULARS	SCH	"AS AT 31.03.2011" Rs.	"AS AT 31.03.2010" Rs.
<b>SOURCES OF FUNDS :</b>			
SHAREHOLDERS' FUNDS :			
Share Capital	A	25,88,35,000	25,88,35,000
Reserves and Surplus	B	1,88,34,25,278	1,42,46,67,354
<b>LOAN FUNDS :</b>			
Secured Loans	C	82,76,76,238	67,04,05,824
Unsecured Loans	D	30,19,27,789	29,07,71,205
Deffered Tax Liability		5,76,95,281	8,45,389
<b>TOTAL</b>		<b>3,32,95,59,586</b>	<b>2,64,55,24,771</b>
<b>APPLICATION OF FUNDS :</b>			
FIXED ASSETS :	E		
Gross Block		2,61,07,06,888	1,88,01,10,935
Less : Depreciation		70,30,23,818	52,49,37,006
Net Block		1,90,76,83,070	1,35,51,73,929
Capital Work in Progress		16,53,72,291	12,54,26,668
		2,07,30,55,361	1,48,06,00,597
<b>INVESTMENTS</b>	F	34,34,04,230	30,46,39,126
CURRENT ASSETS, LOANS AND ADVANCES :			
Inventories	G	51,23,97,567	38,98,63,489
Sundry Debtors	H	56,95,49,207	49,48,30,211
Cash and Bank Balances	I	8,63,78,057	5,72,60,186
Loans and Advances	J	15,89,89,742	12,38,49,450
		1,32,73,14,573	1,06,58,03,336
Less : Current Liabilities and Provisions	K	41,46,85,078	20,55,23,287
<b>NET CURRENT ASSETS</b>		91,26,29,495	86,02,80,048
"Miscellaneous Expenditure to the extent not written off"	L	4,70,500	5,000
<b>Profit and Loss account</b>			
<b>TOTAL</b>		<b>3,32,95,59,586</b>	<b>2,64,55,24,771</b>

Significant Accounting Policies & Notes to Accounts  
As per our Report of even date

U

FOR **BHANDARI AND ASSOCIATES**  
Chartered Accountants  
FRN-112683W

FOR AND ON BEHALF OF THE BOARD

L.R. BHANDARI  
Proprietor

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

**NITIN KHARA**  
MANAGING DIRECTOR

**ELESH KHARA**  
DIRECTOR

**NALIN KHARA**  
DIRECTOR

**JITENDRA JAIN**  
INDEPENDENTDIRECTOR

**SUMANT SUTARIA**  
INDEPENDENTDIRECTOR

Place: Mumbai,  
Dated: 30th May 2011



## Profit and Loss Account *For the year ended on 31st March, 2011*

PARTICULARS	SCH	"AS AT 31.03.2011" Rs.	"AS AT 31.03.2010" Rs.
<b>INCOME :</b>			
Sales and Operational Income	M	6,48,13,12,467	3,49,61,32,938
Other Income	N	53,34,196	70,08,057
Increase/(Decrease) in stocks	O	2,80,13,298	3,22,94,295
<b>TOTAL</b>		<b>6,51,46,59,961</b>	<b>3,53,54,35,290</b>
<b>EXPENDITURE :</b>			
Cost of Goods Consumed / Sold	P	5,21,09,93,108	2,79,87,35,685
Employees Benefits	Q	5,25,94,245	3,55,38,934
Operating and Other Expenses	R	15,46,37,399	8,28,03,904
Administrative and Selling Expenses	S	12,44,61,992	7,51,87,158
Interest and Financial Charges	T	13,13,15,827	9,26,77,680
Depreciation	E	17,80,86,812	12,75,77,411
<b>TOTAL</b>		<b>5,85,20,89,383</b>	<b>3,21,25,20,772</b>
<b>Profit before Exceptional Items and Taxation</b>		<b>66,25,70,578</b>	<b>32,29,14,517</b>
Provision for Taxation			
- Current Year		14,69,62,762	5,50,00,000
- Fringe Benefit Tax			-
- Deffered Tax		5,68,49,892	2,07,96,486
- Earlier Years			53,66,988
<b>Profit after Tax</b>		<b>45,87,57,924</b>	<b>24,17,51,043</b>
Add : Balance brought forward		48,50,82,648	24,33,31,605
Balance transferred to Balance Sheet		<b>94,38,40,572</b>	<b>48,50,82,648</b>
<b>EARNING PER SHARE (Face Value of Rs 1/- each)</b>			
- Basic and Diluted Earning Per Share		1.77	0.93
- Number of Shares used in computing earning per share		25,88,35,000	25,88,35,000

Significant Accounting Policies and Notes to Accounts Schedule 'U'  
As per our Report of even date

FOR **BHANDARI AND ASSOCIATES**  
Chartered Accountants  
FRN-112683W

FOR AND ON BEHALF OF THE BOARD

L.R. BHANDARI  
Proprietor

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

**NITIN KHARA**  
MANAGING DIRECTOR

**ELESH KHARA**  
DIRECTOR

**NALIN KHARA**  
DIRECTOR

**JITENDRA JAIN**  
INDEPENDENTDIRECTOR

**SUMANT SUTARIA**  
INDEPENDENTDIRECTOR

Place: Mumbai,  
Dated: 30th May 2011

# CASH FLOW STATEMENT

<b>PARTICULARS</b>	<b>AS AT 31.03.2011 Rs.</b>	<b>AS AT 31.03.2010 Rs.</b>
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	66,25,70,578	32,29,14,517
Depreciation	17,80,86,812	12,75,77,411
Amalgamation Exp. Incurred but not debited to P& L A/c	(4,70,500)	0
Other Non Cash exp	5,000	6,200
Interest Expenses	13,13,15,827	9,26,77,680
Dividend & Interest Received Shown Separately	(20,87,074)	(16,51,515)
<b>Operating Profit before Working Capital Changes</b>	<b>96,94,20,643</b>	<b>54,15,24,294</b>
Decrease / (Increase) in Sundry debtors	(7,47,18,996)	(2,40,98,862)
Decrease / (Increase) in Other Current Assets & Loans & Advances	(3,51,40,292)	46,47,852
Decrease / (Increase) in Inventories	(12,25,34,078)	(15,49,56,963)
Increase / (Decrease) in Trade Payables	20,91,61,791	(3,36,68,610)
<b>Cash Generated from Operations</b>	<b>94,61,89,068</b>	<b>33,34,47,712</b>
Taxes Paid	20,38,12,654	8,11,63,474
<b>Net Cash Generated from Operating Activities</b>	<b>74,23,76,414</b>	<b>25,22,84,238</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure	(77,05,41,577)	(40,10,80,995)
Investment During the year	(3,87,65,104)	(15,53,13,000)
Dividend Received	13,500	16,875
Interest Received	20,73,574	16,34,640
<b>Net Cash Used in Investing Activities</b>	<b>(80,72,19,607)</b>	<b>(55,47,42,480)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Fresh Equity Capital	0	0
Fresh Secured Loans raised	25,48,62,714	34,90,66,109
Fresh Unsecured Loans raised/deffered Tax	6,80,06,477	
Repayment of Borrowing	(9,75,92,299)	(6,42,30,957)
Repayment of Unsecured Loans/deffered Tax	0	(33,91,990)
Interest Expenses	(13,13,15,827)	(9,26,77,680)
<b>Net Cash Used in Financing Activities</b>	<b>9,39,61,065</b>	<b>18,87,65,481</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>2,91,17,872</b>	<b>(11,36,92,761)</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR</b>	<b>5,72,60,186</b>	<b>17,09,52,948</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT END OF THE YEAR</b>	<b>8,63,78,057</b>	<b>5,72,60,186</b>

Notes

1 Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 "Cash Flow Statement" as specified in the Companies (Accounting Standards) rules, 2006.

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

As per our Report of even date

FOR **BHANDARI AND ASSOCIATES**

Chartered Accountants

FRN-112683W

FOR AND ON BEHALF OF THE BOARD

L.R. BHANDARI  
Proprietor

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

**NITIN KHARA**  
MANAGING DIRECTOR

**ELESH KHARA**  
DIRECTOR

**NALIN KHARA**  
DIRECTOR

**JITENDRA JAIN**  
INDEPENDENTDIRECTOR

**SUMANT SUTARIA**  
INDEPENDENTDIRECTOR

Place: Mumbai,  
Dated: 30th May 2011

**"SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31st MARCH, 2011"**

<b>PARTICULARS</b>	<b>"AS AT 31.03.2011" Rs.</b>	<b>"AS AT 31.03.2010" Rs.</b>
<b>SCHEDULE 'A' SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
30 75 00 000 Equity Shares of Rs. 1/- each	30,75,00,000	30,75,00,000
<b>ISSUED SUBSCRIBED and PAID UP</b>		
25 88 35 000 Equity Shares of Rs. 1/- each (of the above 10,00,00,000 shares fully paid were issued pursuant to the scheme of amalgamation dated 11th of August, 2006 and further 17 50 000 shares fully paid were issued pursuant to the scheme of amalgamation dated 18th of September, 2009 for considerations otherwise than cash)	25,88,35,000	25,88,35,000
<b>TOTAL</b>	<b>25,88,35,000</b>	<b>25,88,35,000</b>
<b>SCHEDULE 'B' RESERVES AND SURPLUS</b>		
<b>Securities Premium Account</b>		
As per last Balance Sheet	92,28,10,706	92,28,10,706
(a)	92,28,10,706	92,28,10,706
<b>Capital Subsidy Reserves</b>		
As per last Balance Sheet	22,50,000	22,50,000
(b)	22,50,000	22,50,000
<b>General Reserve</b>		
As per last Balance Sheet	1,45,24,000	1,45,24,000
(c)	1,45,24,000	1,45,24,000
<b>Surplus in Profit and Loss Account</b>		
As per account annexed	94,38,40,572	48,50,82,648
(d)	94,38,40,572	48,50,82,648
<b>TOTAL (a+b+c+d)</b>	<b>1,88,34,25,278</b>	<b>1,42,46,67,354</b>



**"SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31st MARCH, 2011"**

<b>Particulars</b>	<b>As at 31.03.2011 Rs.</b>	<b>As at 31.03.2010 Rs.</b>
<b>SCHEDULE 'C' SECURED LOANS :</b>		
<b>TERM LOANS :</b>		
<b>From - ICICI Bank Ltd</b>	29,55,38,024	38,79,62,958
(Secured against 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 and personal guarantee of directors of the company i.e. Shri Nitin Khara and Shri Elesh Khara of which Payable within one Year Rs. 100000008/-)		
<b>From - Tirupati Urban Co-operative Bank Ltd.</b>	2,58,30,521	
(Secured against Property situated at Plot No.1 Mz. Nari,Tah. Dist. Nagpur and Plot No. 267, Corp House No. 468 & 468A, Ward No. 72 City Survey No. 620 at Mauza Lendra Sheet No. 37 Tal/Dist. Nagpur of Shri Nitin Khara & Shri Elesh Khara of which Payable within one Year Rs.1,49,55,364/-)		
<b>From - ICICI Bank Ltd</b>	19,03,870	4,61,756
"(Secured against Vehicles and personal guarantee of Shri Nitin Khara of which Payable within one Year Rs.7,93,226/-) "		
<b>WORKING CAPITAL LOAN :</b>		
<b>From - ICICI Bank Ltd</b>	29,59,17,519	24,98,36,239
(Secured against charge by way of hypothecation of 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 and personal guarantee of directors of the company i.e. Shri Nitin Khara and Shri Elesh Khara)		
<b>From - Shamrao Vithal Co-operative Bank Ltd.</b>	2,31,36,707	2,97,64,055
(Secured against Property situated Village Paud Post Mazgaon, Via Rasayani, Tal Khalapur along with the entire structure standing thereon hypothecation of stock of Raw material, Consumable, Finished Goods, Work in Process, Book Debts and second charge over entire fixed assets Company and personal guarantee of the directors of the company i.e. Shri Nitin Khara and Shri Elesh Khara)		
<b>From - Citi Bank, NA</b>	10,01,02,740	
(Secured against and personal guarantee of the Directors of the company i.e. Shri Nitin Khara and Shri Elesh Khara)		
<b>From - IDBI Bank Ltd.</b>	6,97,44,995	
(Secured against Pledge of shares to the extent of 50 lacs held by the promoter group worth approx. Rs.4 Cr. and personal guarantee of the Directors of the company i.e. Shri Nitin Khara, Shri Nalin Khara and Shri Elesh Khara Payable within one Year Rs.6,97,44,995/-) )		
<b>From - Central Bank of India</b>	1,55,01,862	23,80,815
(Secured against hypothecation of Property situated at Kh No. 60 & 61 Mauza Buruzwada Saoner Road, Nagpur and 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)		
<b>TOTAL</b>	<b>82,76,76,238</b>	<b>67,04,05,824</b>

**"SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>Particular</b>	<b>"AS AT 31.03.2011" Rs.</b>	<b>"AS AT 31.03.2010" Rs.</b>
<b>SCHEDULE 'D' UNSECURED LOANS :</b>		
From Corporates	12,35,94,052	11,39,43,102
From SICOM Limited (Interest Free) (Under Deferral Package Scheme of Incentive 1993.	1,89,79,918	1,89,79,918
Deposit Received against Cylinders	15,93,53,820	15,78,48,185
<b>TOTAL</b>	<b>30,19,27,789</b>	<b>29,07,71,205</b>



**"SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

**SCHEDULE 'E' - FIXED ASSETS**

Particulars	Rate of Dep. %	ASSETS				DEPRECIATION				NET BLOCK	
		Opening Balance	Addition 2010-2011	Sale/Adj	Total Value	Upto 03/31/10	During the Year	Sale/Adj	Upto 03/31/11	As on 31.03.11	As on 31.03.10
LAND	0.00%	29,40,87,255	12,40,550	0	29,53,27,805	0	-	0	-	2,95,327,805	29,40,87,255
GOODWILL	20.00%	5,00,00,000	0	0	5,00,00,000	3,00,00,000	1,00,00,000.00	0	4,00,00,000	1,00,00,000	2,00,00,000
OFFICE BUILDING	5.00%	34,03,167	35,84,538	0	69,87,705	12,72,398	4,36,246.31	0	17,08,644	52,79,061	21,30,769
FACTORY BUILDING	10.00%	44,58,41,172	20,47,36,321	0	65,05,77,493	6,93,15,457	4,50,69,414.99	0	11,43,84,872	53,61,92,621	37,65,25,715
PLANT AND MACHINERY	13.91%	83,54,24,951	50,32,89,781	0	1,33,87,14,732	22,26,55,991	11,18,09,107.01	0	33,44,65,098	1,00,42,49,634	61,27,68,960
ELECTRICAL INSTALLATION	13.91%	4,96,89,471	90,96,464	0	5,87,85,935	1,59,82,690	52,75,492.11	0	2,12,58,183	37,5,27,753	3,37,06,781
VEHICLE	25.89%	1,12,08,554	33,85,992	0	1,45,94,546	48,76,714	21,95,802.47	0	70,72,516	7,5,22,029	63,31,840
HEAVY VEHICLE	40.00%	11,66,888	0	0	11,66,888	7,31,820	1,74,027.20	0	9,05,847	2,61,041	4,35,068
FURNITURE & FIXTURES	18.10%	93,59,626	33,06,777	0	1,26,66,403	50,07,964	12,22,858.06	0	62,30,822	64,35,581	43,51,662
COMPUTER	40.00%	67,54,056	9,20,760	0	76,74,816	43,07,267	12,16,779.83	0	55,24,047	21,50,769	24,46,789
OFFICE EQUIPMENT	13.91%	24,82,206	10,34,769	0	35,16,975	11,15,686	2,78,055.99	0	13,93,742	21,23,234	13,66,520
CYLINDERS	40.00%	17,06,93,589	0	0	17,06,93,589	16,96,71,019	4,09,028.00	0	17,00,80,047	6,13,542	10,22,570
TOTAL		1,88,01,10,935	73,05,95,953	0	2,61,07,06,888	52,49,37,006	17,80,86,812.00		70,30,23,818	1,90,76,83,070	1,35,51,73,929
WIP Project		12,54,26,668	18,66,12,627	14,66,67,004	16,53,72,291	0	0		-	16,53,72,291	12,54,26,668
TOTAL		2,00,55,37,603	91,72,08,580	14,66,67,004	2,77,60,79,179	52,49,37,006	17,80,86,812.00	-	70,30,23,818	2,07,30,55,361	1,48,06,00,597



**"SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>Particulars</b>	<b>As at 31.03.2011 Rs.</b>	<b>As at 31.03.2010 Rs.</b>
<b>SCHEDULE 'F' INVESTMENTS</b>		
National Saving Certificate	22,000	22,000
Shares of Tirupati Bank	7,50,005	
Shares in Indian company (Unquoted)	1,03,630	1,03,630
"- Investment in Partnership Business of M/s Sneha Petroleum, Bangalore"	1,48,10,000	62,50,000
"- Investment in Partnership Business of M/s Prachi Gaspoint, Gwalior"	19,00,000	19,00,000
- Investment in Garg Distillaries Pvt. Ltd.	2,63,29,855	2,63,29,855
	<b>4,39,15,490</b>	<b>3,46,05,485</b>
<b>In Equity Shares of Subsidiaries</b>	<b>(a)</b>	
	Face Value	
	(Rs.)	
-100% holding in Shares of Envy Cylinders Pvt. Ltd	10	1,61,37,970
-100% holding in Shares of Hemkunt Petroleum Ltd	10	12,30,000
-100% holding in Shares of Taraa LPG Bottling Pvt. Ltd	100	1,00,000
-100% holding in Shares of Agwan Coach Pvt. Ltd.	10	2,45,35,671
-100% holding in Shares of Laxmi Nirmal Petrochemicals Ltd.	100	4,08,00,000
-100% holding in Shares of Virendra Petrochemicas Pvt Ltd.	10	2,36,00,000
-100% holding in Shares of Keppy Infrastructure Developers Pvt. Ltd.	10	27,65,000
-100% holding in Shares of Confidence Go Gas Ltd.	100	2,00,00,000
- 50% holding in Shares of Chhatisgarh Gaspoint Bottling Pvt. Ltd.	10	4,50,000
- 50% holding in Shares of Kastkar Gaspoint Bottling Pvt. Ltd.	10	4,50,000
- 50% holding in Shares of Uma LPG Bottling Pvt. Ltd.	10	4,80,000
- 50% holding in Shares of Annapurna Gaspoint Bottling Pvt. Ltd.	10	4,50,000
- 50% holding in Shares of Aishwaryam Gaspoint Bottling Pvt. Ltd.	10	5,00,000
- 50% holding in Shares of STN Gaspoint Bottling Pvt. Ltd.	10	4,95,000
- 50% holding in Shares of Jagannath Gaspoint Bottling Pvt. Ltd.	10	4,90,000
- 50% holding in Shares of Gaspoint Bottling Pvt. Ltd.	10	50,000
	<b>(b)</b>	<b>13,20,33,641</b>
<b>In Joint Venture</b>		
- 70% holding in Investment In Pt Surya Go Gas Indonesia		13,75,00,000
	<b>(c)</b>	<b>13,75,00,000</b>
<b>TOTAL (a+b+c)</b>	<b>34,34,04,230</b>	<b>30,46,39,126</b>

**"SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>PARTICULAR</b>	<b>"AS AT 31.03.2011" Rs.</b>	<b>"AS AT 31.03.2010" Rs.</b>
<b>SCHEDULE 'G' INVENTORIES</b>		
At Lower of Cost or Net Realisable Value (As certified by the Management)		
Stock In Trade		
- Raw Materials	18,16,41,652	16,30,48,154
- Work in Progress	18,35,29,740	16,17,67,434
- Finished Goods	2,21,49,975	1,94,86,210
Components	1,00,63,594	75,33,732
Consumables	1,69,34,187	1,35,78,065
Stores and Spares	42,60,851	37,48,439
LPG	7,75,96,501	80,67,613
Scrap	1,60,99,354	1,25,12,127
Inventories	1,21,713	1,21,713
<b>TOTAL</b>	<b>51,23,97,567</b>	<b>38,98,63,489</b>
<b>SCHEDULE 'H' SUNDRY DEBTORS</b>		
(Unsecured, considered good)		
Debts Outstanding for a period exceeding six months	3,14,62,307	3,93,04,673
Others	53,80,86,900	45,55,25,538
<b>TOTAL</b>	<b>56,95,49,207</b>	<b>49,48,30,211</b>
<b>SCHEDULE 'I' CASH AND BANK BALANCES :</b>		
Cash in Hand	22,01,166	25,21,513
<b>Balances With Scheduled Banks :</b>		
In Current Account	1,89,85,235	83,75,406
<b>In Fixed Deposit Account</b>		
Fixed Deposit Account Without Lien		68,06,766
F.D.R.(Against BG Margin)	2,07,77,844	1,97,49,695
F.D.R. (Against L/C Margin Money /Others)	4,31,93,526	1,95,68,157
Interest Accrued	12,20,287	2,38,649
<b>TOTAL</b>	<b>8,63,78,057</b>	<b>5,72,60,186</b>

**"SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>Particulars</b>	<b>"AS AT 31.03.2011" Rs.</b>	<b>"AS AT 31.03.2010" Rs.</b>
<b>SCHEDULE 'J' LOANS AND ADVANCES :</b>		
(Unsecured, considered good, unless otherwise stated)		
Loans to Subsidiaries	3,31,85,978	3,60,36,414
Advances recoverable in cash or kind or for value to be received	3,14,63,806	2,17,66,836
Deposits and Recoverable	8,27,64,415	5,33,85,576
Advance Payment of Income Tax	22,75,533	70,60,380
Balance with Excise on Current Account	93,00,010	56,00,245
<b>TOTAL</b>	<b>15,89,89,742</b>	<b>12,38,49,450</b>
<b>SCHEDULE 'K' CURRENT LIABILITIES</b>		
<b>Sundry Creditors</b>		
Creditors for Goods and Expenses	19,89,23,809	12,85,85,536
Other Liabilities	3,90,99,475	2,68,11,309
Provision for Taxes	17,66,61,794	5,01,26,442
<b>TOTAL</b>	<b>41,46,85,078</b>	<b>20,55,23,287</b>
<b>SCHEDULE 'L' Miscellaneous Expenditure</b>		
(To the extent not Written off or adjusted )	4,70,500	
Preliminary Expenses :		
Balance Brought Forward	5,000	11,200
Less : Written off during the year	5,000	6,200
<b>TOTAL</b>	<b>4,70,500</b>	<b>5,000</b>



**"SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>PARTICULARS</b>	<b>"AS AT 31.03.2011" Rs.</b>	<b>"AS AT 31.03.2010" Rs.</b>
<b>SCHEDULE 'M' SALES AND OPERATIONAL INCOME</b>		
Sale of Cylinders /Raw Material/ Project	2,05,45,98,754	1,05,78,68,582
Sale of Scrap / Components, & others	8,76,36,556	3,84,03,797
Sale of Lpg and Auto LPG	3,60,37,33,434	2,01,38,12,262
Filling /DPT / Transport Charges	88,68,24,426	47,16,55,402
	6,63,27,93,170	3,58,17,40,043
Less : Excise Duty / Service Tax Recovered	15,14,80,703	8,56,07,104
<b>TOTAL</b>	<b>6,48,13,12,467</b>	<b>3,49,61,32,938</b>
<b>SCHEDULE 'N' OTHER INCOME</b>		
Interest Income	20,73,574	16,34,640
(TDS on Interest Income Cy. Rs. 210089 & PY Rs. 167906)		
Dividend Received	13,500	16,875
Miscellaneous Receipts	4,72,394	1,96,356
Rebates and Discount	27,74,728	51,60,186
<b>TOTAL</b>	<b>53,34,196</b>	<b>70,08,057</b>
<b>SCHEDULE 'O' INCREASE IN STOCKS</b>		
<b>Opening Stock</b>		
Finished Goods	1,94,86,210	1,62,38,508
Work in Progress	16,17,67,434	13,48,06,195
Scrap	1,25,12,127	1,04,26,773
<b>SUBTOTAL</b>	<b>19,37,65,772</b>	<b>16,14,71,476</b>
<b>LESS :</b>		
<b>Closing Stock</b>		
Finished Goods	2,21,49,975	1,94,86,210
Work in Progress	18,35,29,740	16,17,67,434
Scrap	1,60,99,354	1,25,12,127
<b>SUBTOTAL</b>	<b>22,17,79,070</b>	<b>19,37,65,772</b>
<b>INCREASE / (DECREASE) IN STOCKS</b>	<b>2,80,13,298</b>	<b>3,22,94,295</b>

**"SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>PARTICULARS</b>	<b>"AS AT 31.03.2011" Rs.</b>	<b>"AS AT 31.03.2010" Rs.</b>
<b>SCHEDULE 'P' COST OF GOODS CONSUMED / SOLD</b>		
<b>RAW MATERIAL CONSUMED :</b>		
Opening Stock	16,30,48,154	4,58,73,462
Add : Purchases	1,25,85,13,680	60,83,20,147
Less :-		
Discount Received	51,08,861	30,20,464
Closing Stock	18,16,41,652	16,30,48,154
<b>SUBTOTAL (A)</b>	<b>1,23,48,11,321</b>	<b>48,81,24,991</b>
<b>LPG CONSUMED :</b>		
Opening Stock	80,67,613	67,23,011
Add : Purchases	3,32,67,61,257	1,99,47,94,444
Less :-		
Closing Stock	7,75,96,501	80,67,613
<b>SUBTOTAL (B)</b>	<b>3,25,72,32,369</b>	<b>1,99,34,49,842</b>
<b>COMPONENTS CONSUMED :</b>		
Opening Stock	75,33,732	62,78,110
Add : Purchases	57,45,49,792	21,60,55,617
Less :-		
Closing Stock	1,00,63,594	75,33,732
<b>SUBTOTAL (C)</b>	<b>57,20,19,931</b>	<b>21,47,99,995</b>
<b>CONSUMABLES CONSUMED :</b>		
Opening Stock*	1,73,26,505	1,44,38,754
Add : Purchases	15,07,98,021	10,52,48,607
Less :-		
Closing Stock	2,11,95,038	1,73,26,505
<b>SUBTOTAL (D)</b>	<b>14,69,29,488</b>	<b>10,23,60,857</b>
<b>TOTAL (A+B+C+D)</b>	<b>5,21,09,93,108</b>	<b>2,79,87,35,685</b>
(figure for 2009-10 includes Stores and Spares)		
<b>SCHEDULE 'Q' EMPLOYEES BENEFITS</b>		
Salary and Wages including PF and Others	5,14,88,173	3,48,27,329
Staff and Labour Welfare	11,06,072	7,11,605
<b>TOTAL</b>	<b>5,25,94,245</b>	<b>3,55,38,934</b>

**"SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>PARTICULARS</b>	<b>"AS AT 31.03.2011" Rs.</b>	<b>"AS AT 31.03.2010" Rs.</b>
<b>SCHEDULE 'R' OPERATING AND OTHER EXPENSES</b>		
Factory expenses		
- Power and Fuel	4,16,43,106	2,90,25,089
- Plant Licences and other Exp.	47,71,027	40,51,658
- Carriage Inward	3,75,69,675	2,19,06,605
- Job Work Charges	3,11,96,320	1,94,38,879
- Testing and Marking Fees	58,44,780	43,46,026
- Stores and Spares Consumed		-
- Site Exp	2,88,10,403	-
Repair and Maintenance		-
- Plant and Machinery	10,92,431	23,82,513
- Others	37,09,658	16,53,136
<b>TOTAL</b>	<b>15,46,37,399</b>	<b>8,28,03,904</b>
<b>SCHEDULE 'S' ADMINISTRATIVE AND SELLING EXPENSES</b>		
Rent, Rates and Taxes	2,65,348	5,23,401
Printing and Stationery	23,95,272	5,49,217
Remuneration to Auditors	5,00,000	3,00,000
Rental Expenses	1,67,83,858	1,18,86,931
Security Charges	43,61,398	28,13,500
Insurance Expenses	10,55,564	12,00,468
Carriage Outward	6,14,13,231	3,08,36,446
Travelling Expenses	1,46,22,387	89,86,748
Remuneration to Directors	70,00,000	60,00,000
Miscellaneous Expenses	45,55,244	35,93,024
LD Charges	8,12,322	4,99,831
Communication Expenses	18,26,169	16,87,414
Legal and Professional Charges	42,15,572	33,92,825
Filing Fees Roc and others	15,61,504	5,14,880
Advertisiing and Sales Promotion	16,45,745	10,34,682
Vehicle Expenses	14,43,378	13,61,591
Preliminary Expenses Written off	5,000	6,200
<b>TOTAL</b>	<b>12,44,61,992</b>	<b>7,51,87,158</b>
<b>SCHEDULE 'T' INTEREST AND FINANCIAL CHARGES :</b>		
Interest to Bank on Term Loan	5,57,35,562	4,57,40,982
Interest to Bank on W/C and others	6,68,76,240	4,10,39,475
Bank Charges,LC Charges, Mortgage and Registration Charges	87,04,025	58,97,223
<b>TOTAL</b>	<b>13,13,15,827</b>	<b>9,26,77,680</b>



## ***Schedules forming part of Balance Sheet and Profit and Loss Account***

For the year ended 31st, March. 2011

### **SCHEDULE 'U' NOTES ON ACCOUNTS**

#### **1. SIGNIFICANT ACCOUNTING POLICIES**

##### **A) ACCOUNTING CONVENTION**

The Company maintains its accounts in accrual basis following the historical cost convention in accordance with generally accepted accounting principals (GAAP), in compliance with the provision of the Companies Act 1956 and the accounting standards as specified in the companies (Accounting Standards) Rules, 2006 prescribed by the central government.

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balance of assets and liabilities and the disclosures relating the contingent liabilities as of the date of the financial statements. Examples of such expenses includes the useful lives of tangible and intangible fixed assets, provision for doubtful debts/advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

##### **B) FIXED ASSETS**

Fixed assets are stated at cost which includes all related expenses up to acquisition and installation of the assets. Leasehold Land is not amortized.

Assets identified and evaluated technically as obsolete and held for disposal are stated at lower of book value and estimated net realizable value / salvage value.

##### **C) DEPRECIATION**

Depreciation on fixed assets has been provided on written down value method at the rates provided in Schedule XIV to the Companies Act, 1956 except on Goodwill which is being written off on straight line value method in five years. Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the month of addition/disposal.

##### **D) INVESTMENTS**

Long term investments including interest in incorporated jointly controlled entities, are carried at cost, 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.

##### **E) INVENTORIES**

Inventories are valued at lower of cost and net realizable value. Cost is determined on first in first out (FIFO) basis. The cost of work-in-progress and finished goods comprises of raw materials, direct labour, other direct costs and related production overheads, but excludes interest expense. Net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

##### **F) REVENUE RECOGNITION**

Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

- a) Sales and Service
  - i) Sales and service include excise duty and adjustments made towards liquidated damages and price variation are exclusive of all taxes wherever applicable.
  - ii) Revenue from sale of goods is recognized when the substantial risks and rewards of ownership are transferred to the buyer under the terms of contract.
  - iii) Revenue from service related activities is recognized using the proportionate completion method.
  - iv) Revenue from engineering and service fees is recognized as per the terms of contract.

## Schedules forming part of Balance Sheet and Profit and Loss Account

For the year ended 31st, March, 2011

### SCHEDULE 'U' NOTES ON ACCOUNTS (Contd.)

- b) Other operational income represents income earned from the activities incidental to the operations of the business segments and is recognized on rendering of related services as per the terms of the contract.
- c) Interest income is accrued at applicable interest rate and separate disclosures have been made towards TDS deducted on those interest income.
- d) Other items of income are accounted as and when the right to receive arises.

#### 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.

#### H) TAXES ON INCOME

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

	Current Year (Rs.in lacs)	Previous Year (Rs.in lacs)
2. Contingent liabilities not provided for:		
a) Outstanding Bank Guarantees	530.42	434.63
b) Counter Guarantee to Bank (Amalgamated company)	Nil	Nil
3. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	Nil	Nil

- 4. The disclosure required in balance sheet in view of amendment in Schedule – to the Companies Act, 1956 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.
- 5. 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.
- 6. 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.
- 7. The Company has liability towards excise duty on finished goods and scrap held at factory and payable on clearance amounting to Rs.41,89,374/- has not been taken into account as per consistent practice. However, there is no impact on the profit and loss account for the year.
- 8. 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.
- 9. During the year company has sold its & 50% stake in M/s Aishwaryam Gaspoint Bottling Private Limited .The financial figures of these companies have not been considered for consolidated results.

## Schedules forming part of Balance Sheet and Profit and Loss Account

For the year ended 31st, March. 2011

### SCHEDULE 'U' NOTES ON ACCOUNTS (Contd.)

10. No Provision has been made in respect of liabilities towards retirement benefits under mandatory Accounting Standard – 15, amount not ascertainable.

11. Managerial Remuneration

#### a) Managing and Whole-time Directors

Particulars	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)
Salary	67.50	57.50
Perquisites	2.50	2.50
Total	70.00	60.00

#### b) Computation of Net Profit in accordance with Section 198 of the Companies Act, 1956:

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Net Profit	45,87,57,924	24,17,51,044
Add / (Deduct) :		
Directors Remuneration	70,00,000	60,00,000
Depreciation as per Profit And Loss Account	17,80,86,812	12,75,77,411
Depreciation under Section 350 of the Companies Act, 1956	(17,80,86,812)	(12,75,77,411)
Provision / Write off for doubtful debts, loans and advances		
Profit on sale / disposal of fixed assets (net)		
Exceptional items:		
Profit on sale / redemption of investments (net)		
Profit on sale of property		
Compensation for surrender of rental premises		
Taxation for the year (including of exceptional items)	14,69,62,762	5,50,00,000
Net Profit	61,27,20,685	30,27,51,044
Maximum remuneration permissible under the Companies Act, 1956 at 10%	6,12,72,069	3,02,75,104

12. Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under :

	Current Year (Rs.)	Previous Year (Rs.)
(a) The principal amount and the due thereon remaining unpaid to suppliers		
(i) Principal	0	0
(ii) Interest due thereon	0	0
(b) (i) The delayed payments of principal amount paid beyond the appointed date during the entire accounting year	0	0
(ii) Interest actually paid under Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 are as under :	0	0
(c) (i) Normal Interest accrued during the year, for all the delayed payments, as per the agreed terms	0	0
(ii) Normal Interest payable for the period of delay in making payments as per the agreed terms	0	0
(d) (i) Total Interest accrued during the year	0	0
(ii) Total Interest accrued during the year and remaining unpaid	0	0
(e) Included in (d) above is Nil being interest on amounts outstanding as at the beginning of the accounting year	0	0



## Schedules forming part of Balance Sheet and Profit and Loss Account

For the year ended 31st, March. 2011

### SCHEDULE 'U' NOTES ON ACCOUNTS (Contd.)

#### 13. Key Financial Ratios

Sr. No.	Particular	2010-11	2009-10
a)	Total Turnover (Income) / Total Assets	1.95	1.32
b)	Net Profit before interest and tax / Capital Employed %	4.12	6.36
c)	Return on Net Worth %	4.67	6.96
d)	Net Profit / Total Income %	14.13	14.46

14. 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.

#### SEGMENTWISE REPORT FOR THE PERIOD ENDED 31ST MARCH, 2011

PARTICULARS	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
REVENUE		
- LPG/CNG Cylinder manufacturing	2,14,22,35,310	1,13,33,19,829
- LPG Bottling & Marketing	4,49,05,57,860	2,48,54,67,664
	<b>6,63,27,93,170</b>	<b>3,61,87,87,493</b>
SEGMENT WISE RESULT		
- LPG/CNG Cylinder manufacturing	24,54,29,473	12,72,71,817
- LPG Bottling & Marketing	41,71,41,105	19,56,42,701
	<b>66,25,70,578</b>	<b>32,29,14,517</b>
CAPITAL EMPLOYED		
- LPG/CNG Cylinder manufacturing	1,99,77,35,752	1,58,73,14,863
- LPG Bottling & Marketing	1,33,18,23,835	1,05,82,09,909
	<b>3,32,95,59,587</b>	<b>2,64,55,24,772</b>
CAPITAL EXPENDITURE		
- LPG/CNG Cylinder manufacturing	46,23,24,946	24,06,48,597
- LPG Bottling & Marketing	30,82,16,631	16,04,32,398
	<b>77,05,41,577</b>	<b>40,10,80,994</b>
DEPRECIATION		
- LPG/CNG Cylinder manufacturing	10,68,52,087	7,65,46,447
- LPG Bottling & Marketing	7,12,34,725	5,10,30,964
	<b>17,80,86,812</b>	<b>12,75,77,411</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.

## Schedules forming part of Balance Sheet and Profit and Loss Account

For the year ended 31st, March. 2011

### SCHEDULE 'U' NOTES ON ACCOUNTS (Contd.)

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

(A) List of related parties:

Sr. No.	Name of Related Parties	Relationship
1	Envy Cylinders Pvt. Ltd	Wholly Owned Subsidiary
2	Hemkunt Petroleum Ltd	Wholly Owned Subsidiary
3	Taraa LPG Bottling Pvt. Ltd	Wholly Owned Subsidiary
4	Agwan Coach Private Limited	Wholly Owned Subsidiary
5	Laxmi Nirmal Petrochemicals Limited	Wholly Owned Subsidiary
6	Virendra Petrochemicas Pvt Ltd.	Wholly Owned Subsidiary
7	Keppy Infrastructure Developers Pvt. Ltd.	Wholly Owned Subsidiary
8	Confidence Go Gas Ltd	Wholly Owned Subsidiary
9	Chhatisgarh Gaspoint Bottling Pvt. Ltd	Subsidiary *
10	Kastkar Gaspoint Bottling Pvt. Ltd	Subsidiary *
11	Uma LPG Bottling Pvt. Ltd	Subsidiary *
12	Annapurna Gaspoint Bottling Pvt. Ltd	Subsidiary *
13	Aishwaryam Gaspoint Bottling Pvt. Ltd	Subsidiary *
14	STN Gaspoint Bottling Pvt. Ltd	Subsidiary *
15	Jagannath Gaspoint Bottling Pvt. Ltd	Subsidiary *
16	Gaspoint Bottling Pvt. Ltd	Subsidiary *
17	Pt Surya Go Gas Indonesia	Subsidiary **

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

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

(1) Key Management Personnel or their relatives

Nitin Khara	- Managing Director
Nalin Khara	- Director
Elesh Khara	- Director
Jitendra Jain	- Director
Sumant Sutaria	- Director

(2) Relatives of Key Management Personnel

None

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

Sr. No.	Name of the Parties	Relationship	Nature of Transaction	Volume of transaction(Net)	Balance as on 31-3-11	Remarks
1.	Gas Point Petroleum (I) Ltd	KMP are Director	Loan Repaid	NIL	2,41,38,098/-	

## Schedules forming part of Balance Sheet and Profit and Loss Account

For the year ended 31st, March. 2011

### SCHEDULE 'U' NOTES ON ACCOUNTS (Contd.)

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

Sr. No.	Particulars	CURRENT YEAR (Rs.in lacs)	PREVIOUS YEAR (Rs.in lacs)
1.	Salaries & Allowances	70	60

#### 17 Auditor's Remuneration

Sr. No.	Particulars	CURRENT YEAR (Rs.in lacs)	PREVIOUS YEAR (Rs.in lacs)
1.	Audit Fee	5.00	3.00
2.	Service Tax & Others	0.51	0.31
	Total	5.51	3.31

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

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

Class of Product	Units	Licensed Capacity	Installed Capacity	Actual Production/ Purchases
LPG	M.T.	N.A.	N.A.	81233.355 (49041.411)
LPG Cylinders Refilling	Nos.	N.A.	MT.	
LPG /CNG Cylinders Manufacturing	Nos.	N.A.	27,44,000	1230951 (859010)

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

Class of Products	Units	Turnover		Closing Stock		Opening Stock	
		Qty.	Amount	Qty.	Amount	Qty.	Amount
Finished Goods							
LPG/CNG Cylinders	No.	1230378 (856277)	2054598754 (1094916032)	19544 (18971)	22149975 (19486210)	18971 (16238)	19486210 (16238508)
LPG Gas	MT		3603733434 (48986.670)			(209.904) (140.58)	(8067613) (6723011)
Scrap	MT	4037.590 (3175.549)	87636556 (38403797)	1341.613 (1025.584)	16099354 (12512127)	1025.584 (672.69)	12512127 (10426778)
TOTAL			<b>3147132091</b> (3147132091)		<b>40065950</b> (40065950)		<b>33388297</b> (33388297)



## Auditors' Report on Consolidated Accounts

To,

The Members of  
Confidence Petroleum India Ltd.

We have audited the attached Consolidated Balance Sheet of Confidence Petroleum India Ltd., ("The Company") and its subsidiaries as at 31st March 2011 and also the Consolidated Profit & Loss Account and the consolidated cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibilities of the company's management and have been prepared by the management on the basis of separate financial information statements and other financial regarding component. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principal used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Financial statements of subsidiaries, which reflect total assets of Rs 58.10 Crores as on 31st March 2011, revenue of Rs. 207.52 Crores and which contributes profit after taxes of Rs. 5.65 Crores, have been audited by other auditors and we have relied on their report

We report that the consolidated financial statements have been prepared by the Company's management in accordance of the requirements of Accounting Standard 21, Consolidated Financial Statements and Accounting Standards 23, Accounting for Investments in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.

Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of Consolidated Balance Sheet, of the consolidated state of affairs of the company and its subsidiaries as at 31st March 2011;
- (b) In the case of Consolidated Profit & Loss Account, of the consolidated profits of the Company and its subsidiaries for the year then ended;
- (c) In the case of consolidated cash flow statement, of the consolidated cash flows for the year ended on that date.

For Bhandari and Associates  
Chartered Accountants  
FRN-112683W

Place: Mumbai,  
Dated: 30th May, 2011

L. R. Bhandari  
Proprietor  
M. No. 33168

## Schedules forming part of Balance Sheet and Profit and Loss Account

For the year ended 31st, March. 2011

### SCHEDULE 'U' NOTES ON ACCOUNTS (Contd.)

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

Class of Product	Units	20010-2011	
		Qty.	Amount
HR Sheet	M.T.	22708.955	82,88,76,858
		(18842.12)	(479224991)

#### D. VALUE OF IMPORTED/INDIGENOUS RAW MATERIAL CONSUMED

	Amount (Rs.in lacs)	%
I) Indigenous	8052.86 (8052.86)	100
II) Imported	373.43 (373.43)	100

	Amount (Rs.in lacs)
E. VALUE OF IMPORTED / INDIGENOUS STORES AND SPARE PARTS CONSUMED	
I) Indigenous	NIL
II) Imported	NIL
F. REMITTANCES IN FOREIGN CURRENCY	1245.16 (1978.68)
G. EXPENDITURE IN FOREIGN CURRENCY	100.54 (100.54)
H. EARNING IN FOREIGN CURRENCY	NIL
I. VALUE OF IMPORTS ON CIF BASIS	NIL

#### Note :

Particulars	2010-11 Rs. In Lacs	2009-10 Rs. In Lacs
For Purchase of CNG Pipe and Raw materials	932.54	360.21
For Purchase of Glycerine and other trading goods	0	13.25
For Purchase of LPG Dispensors	33.68	83.69
For Investment in Equity of Foreign Subsidiary (PT Surya Go Gas, Indonesia)	278.94	1521.53

19. Figures have been rounded off to the nearest rupee.

20. Previous year figures have been regrouped/reclassified wherever necessary to make them comparable with current year figures.

21. Schedule A to T has been signed by the Directors and Auditors and forms an integral part of the Balance Sheet and Profit and Loss Account.

As per our Report of even date  
FOR **BHANDARI AND ASSOCIATES**  
Chartered Accountants  
FRN-112683W

FOR AND ON BEHALF OF THE BOARD

L.R. BHANDARI  
Proprietor

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

**NITIN KHARA**  
MANAGING DIRECTOR

**ELESH KHARA**  
DIRECTOR

**NALIN KHARA**  
DIRECTOR

**JITENDRA JAIN**  
INDEPENDENTDIRECTOR

**SUMANT SUTARIA**  
INDEPENDENTDIRECTOR

Place: Mumbai,

Dated: 30th May 2011

## Consolidated Balance Sheet As at 31st March, 2011

PARTICULARS	SCH	"AS AT 31.03.2011" Rs.	"AS AT 31.03.2010" Rs.
<b>SOURCES OF FUNDS :</b>			
<b>SHAREHOLDERS' FUNDS :</b>			
Share capital	A	25,88,35,000	25,88,35,000
Reserves & Surplus	B	2,05,44,66,543	1,42,53,58,605
<b>LOAN FUNDS :</b>			
Secured Loans	C	86,03,12,524	67,60,01,473
Unsecured Loans	D	46,76,13,567	54,35,19,094
Deffered Tax Liability		5,47,47,604	(20,30,765)
Minority Interest		13,62,75,961	6,77,16,021
<b>TOTAL</b>		<b>3,83,22,51,199</b>	<b>2,96,93,99,428</b>
<b>APPLICATION OF FUNDS :</b>			
<b>FIXED ASSETS :</b>	E		
GROSS BLOCK		3,23,58,86,620	2,36,73,00,054
Less : Depreciation		90,11,64,778	71,37,48,979
NET BLOCK		<b>2,33,47,21,842</b>	<b>1,65,35,51,076</b>
Capital Work in Progress		26,62,93,508	16,82,32,960
		<b>2,60,10,15,350</b>	<b>1,82,17,84,036</b>
<b>INVESTMENTS</b>		7,05,68,473	11,30,71,374
Deferred Tax Asset	F		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES :</b>			
Inventories	G	59,72,44,004	45,99,39,279
Sundry Debtors	H	86,98,33,240	69,24,30,231
Cash & Bank Balances	I	12,19,41,381	8,53,06,595
Loans & Advances	J	27,40,17,943	24,20,66,150
		<b>1,86,30,36,567</b>	<b>1,47,97,42,254</b>
Less : Current Liabilities & Provisions	K	70,40,42,588	44,64,06,129
<b>NET CURRENT ASSETS</b>		<b>1,15,89,93,979</b>	<b>1,03,33,36,125</b>
Miscellaneous Expenditure	L	16,73,396	12,07,896
<b>Profit and Loss account</b>			
<b>TOTAL</b>		<b>3,83,22,51,199</b>	<b>2,96,93,99,428</b>
<b>CONTINGENT LIABILITIES</b>	M		

Significant Accounting Policies & Notes to Accounts

U

As per our Report of even date

FOR **BHANDARI AND ASSOCIATES**

FOR AND ON BEHALF OF THE BOARD

Chartered Accountants  
FRN-112683W

L.R. BHANDARI  
Proprietor

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

**NITIN KHARA**  
MANAGING DIRECTOR

**ELESH KHARA**  
DIRECTOR

**NALIN KHARA**  
DIRECTOR

**JITENDRA JAIN**  
INDEPENDENTDIRECTOR

**SUMANT SUTARIA**  
INDEPENDENTDIRECTOR

Place: Mumbai,  
Dated: 30th May 2011



## Consolidated Profit and Loss Account For the year ended on 31st March, 2011

PARTICULARS	SCH	"AS AT 31.03.2011" Rs.	"AS AT 31.03.2010" Rs.
<b>INCOME :</b>			
Sales and Operational Income	M	11,53,18,00,426	5,49,92,06,298
Other Income	N	60,84,196	3,92,68,816
Increase/(Decrease) in stocks	O	3,68,01,267	7,21,82,794
<b>TOTAL</b>		<b>11,57,46,85,889</b>	<b>5,61,06,57,908</b>
<b>EXPENDITURE :</b>			
Cost of Goods Consumed / Sold	P	9,87,15,25,837	4,67,70,39,318
Employees Benefits	Q	9,19,05,295	5,62,12,405
Operating and Other Expenses	R	23,07,03,152	15,45,12,312
Administrative and Selling Expenses	S	16,71,83,564	9,17,53,219
Interest and Financial Charges	T	13,13,87,822	9,72,20,883
Depreciation	F	18,74,15,800	14,23,03,217
<b>TOTAL</b>		<b>10,68,01,21,470</b>	<b>5,21,90,41,354</b>
<b>Profit for the year</b>		<b>89,45,64,419</b>	<b>39,16,16,555</b>
Provision for Taxation			
- Current Year		16,50,91,549	6,72,18,692
- Fringe Benefit Tax			
- Deffered Tax		5,68,49,892	2,07,96,486
- Earlier Years			53,66,988
<b>Profit after Tax</b>		<b>67,26,22,978</b>	<b>29,82,34,389</b>
Minority Interest		4,35,15,039	88,16,021
<b>Profit after Minority Interest</b>		<b>62,91,07,939</b>	<b>28,94,18,368</b>
<b>EARNING PER SHARE (Face Value of Rs 1/- each)</b>			
- Basic and Diluted Earning Per Share		2.43	1.12
- Number of Shares used in computing earning per share		<b>25,88,35,000</b>	25 88 35 000

Significant Accounting Policies & Notes to Accounts Schedule M

As per our Report of even date

FOR **BHANDARI AND ASSOCIATES**

Chartered Accountants

FRN-112683W

L.R. BHANDARI

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

Proprietor

**NITIN KHARA**  
MANAGING DIRECTOR

**ELESH KHARA**  
DIRECTOR

**NALIN KHARA**  
DIRECTOR

**JITENDRA JAIN**  
INDEPENDENTDIRECTOR

**SUMANT SUTARIA**  
INDEPENDENTDIRECTOR

FOR AND ON BEHALF OF THE BOARD

Place: Mumbai,

Dated: 30th May 2011

## CONSOLIDATED CASH FLOW STATEMENT

<i>Particular</i>	<i>"As at 31.03.2011 "</i> <i>Rs.</i>	<i>"As at 31.03.2011"</i> <i>Rs.</i>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit/(Loss) before Tax as per Profit and Loss Account	89,45,64,419	39,16,16,555
Less : Minority Interest in Profits	4,35,15,039	88,16,021
	85,10,49,380	38,28,00,534
Adjusted for :		
Depreciation	18,74,15,800	14,23,03,217
Misc. Expenditure W/off	(4,65,500)	6,200
Interest/Other Income	(22,20,797)	(33,31,262)
Bad Debts Written-Off	0	0
Interest Expenses	13,13,87,822	9,72,20,883
	31,61,17,325	23,61,99,037
Operating Profit Before Working Capital Changes	1,16,71,66,705	61,89,99,571
Adjusted for :		
Trade and Other Receivables	(20,93,54,802)	(9,77,73,368)
Inventories	(13,73,04,725)	(19,02,59,043)
Trade Payables	25,76,36,459	11,09,89,948
	(8,90,23,068)	(17,70,42,463)
Cash Generated from Operations	1,07,81,43,637	44,19,57,108
Income Tax/ FBT paid	(22,19,41,441)	(93,382,166)
Net Cash from Operating Activities	<b>85,62,02,196</b>	<b>34,85,74,942</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(96,66,47,114)	(68,61,37,126)
Sale of Fixed Assets 0		
Interest / dividend Income	22,20,797	33,31,262
Investment in Subsidiaries	4,25,02,901	(9,62,09,595)
Net Cash used in Investing Activities	<b>(92,19,23,416)</b>	<b>(77,901,5459)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Issuance of Share Capital	0	0
Proceeds/ (Repayment) of Long Term Borrowings	18,43,11,051	13,57,72,995
Increase/ (Decrease) in Unsecured Loans	4,94,32,782	14,55,18,782
Cash Credit Utilisation	0	13,86,65,043
Interest Paid	(13,13,87,822)	(9,72,20,883)
Net Cash used in Financing Activities	<b>10,23,56,011</b>	<b>32,27,35,937</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivale</b>	<b>3,66,34,786</b>	<b>(1,07,04,580)</b>
Opening Balance of Cash & Cash Equivalents	8,53,06,595	19,30,11,175
<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>12,19,41,381</b>	<b>8,53,06,595</b>

Note: Two companies (Pre-year 3 Companies) have become subsidiary during this year and therefore consolidated in the accounts for the first time during this year. Further, 2 companies no longer remained subsidiary (Pre year NIL) hence not considered in consolidation. The existing net assets of these companies as on the effective dates are suitably given effect so as to show true & fair view of cash flows pertaining to

As per our Report of even date

FOR **BHANDARI AND ASSOCIATES**

Chartered Accountants  
FRN-112683W

L.R. BHANDARI  
Proprietor

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

**NITIN KHARA**  
MANAGING DIRECTOR

**ELESH KHARA**  
DIRECTOR

**NALIN KHARA**  
DIRECTOR

**JITENDRA JAIN**  
INDEPENDENTDIRECTOR

**SUMANT SUTARIA**  
INDEPENDENTDIRECTOR

Place: Mumbai,  
Dated: 30th May 2011

**"SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

PARTICULARS	"AS AT 31.03.2011" Rs.	"AS AT 31.03.2010" Rs.
<b>SCHEDULE 'A' SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
30 75 00 000 Equity Shares of Rs. 1/- each	30,75,00,000	30,75,00,000
<b>ISSUED SUBSCRIBED and PAID UP</b>		
25 88 35 000 Equity Shares of Rs. 1/- each	25,88,35,000	25,88,35,000
(of the above 10,00,00,000 shares fully paid were issued pursuant to the scheme of amalgamation dated 11th of August, 2006 and further 17 50 000 shares fully paid were issued pursuant to the scheme of amalgamation dated 18th of September, 2009 for considerations otherwise than cash)		
Share Application Money (including Minority Interest)		
<b>TOTAL</b>	<b>25,88,35,000</b>	<b>25,88,35,000</b>
<b>SCHEDULE 'B' RESERVES AND SURPLUS</b>		
<b>Securities Premium Account</b>		
As per last Balance Sheet	92,28,10,706	92,28,10,706
(a)	<b>92,28,10,706</b>	<b>92,28,10,706</b>
<b>Capital Subsidy Reserves</b>		
As per last Balance Sheet	24,50,000	24,50,000
(b)	<b>24,50,000</b>	<b>24,50,000</b>
<b>General Reserve</b>		
As per last Balance Sheet	1,45,24,000	1,45,24,000
(c)	<b>1,45,24,000</b>	<b>1,45,24,000</b>
<b>Surplus in Profit and Loss Account</b>		
As per account annexed	1,16,70,12,897	49,43,89,920
(d)	1,16,70,12,897	49,43,89,920
<b>TOTAL (a+b+c+d)</b>	<b>2,10,67,97,603</b>	<b>1,43,41,74,626</b>
Less : Minority Interest in Profits	5,23,31,060	88,16,021
	<b>2,05,44,66,543</b>	<b>1,42,53,58,605</b>

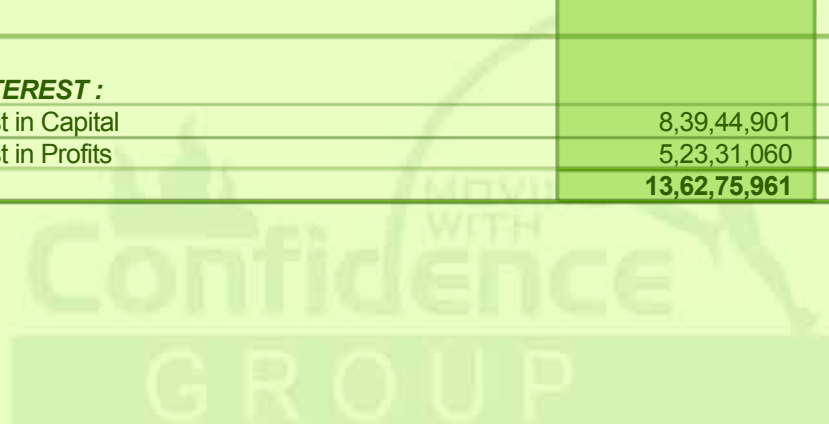


**"SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>Particulars</b>	<b>"As at 31.03.2011" Rs.</b>	<b>"As at 31.03.2010" Rs.</b>
<b>SCHEDULE 'C' SECURED LOANS :</b>		
<b>TERM LOANS :</b>		
<b>From - ICICI Bank Ltd</b>	29,55,38,024	38,79,62,958
(Secured against 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 and personal guarantee of directors of the company i.e. Shri Nitin Khara and Shri Elesh Khara of which Payable within one Year Rs. 100000008/-)		
<b>From - Tirupati Urban Co-operative Bank Ltd.</b>	5,14,49,851	
"( Against Mortgage of Property at Plot No. 267, in Civil Station Expansion Scheme of NIT admeasuring 1005.211 Sq Mts., Corp House No. 468 & 468A, Ward No. 72 City Survey No. 620 at Mauza Lendra Sheet No. 37 Tal/Dist. Nagpur owned by M/s Confidence Petroleum India Limited and personnel / corporate gurantee of Shri Nitin Khara, Shri Elesh Khara and M/s Confidence Petroleum India Limited )"		
<b>From - ICICI Bank Ltd</b>	19,03,870	4,61,756
"(Secured against Vehicles and personal guarantee of Shri Nitin Khara of which Payable within one Year Rs.4,61,756/-) "		
<b>WORKING CAPITAL LOAN :</b>		
<b>From - ICICI Bank Ltd</b>	29,59,17,519	24,98,36,239
(Secured against charge by way of hypothecation of 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 and personal guarantee of directors of the company i.e. Shri Nitin Khara and Shri Elesh Khara)		
<b>From - Shamrao Vithal Co-operative Bank Ltd.</b>	2,31,36,707	2,97,64,055
(Secured against hypothecation of stock of Raw material, Consumable, Finished Goods, Work in Process, Book Debts and second charge over entire fixed assets Company and personal guarantee of the directors of the company i.e. Shri Nitin Khara and Shri Elesh Khara)		
<b>From - Citi Bank, NA</b>	10,01,02,740	
(Secured against and personal guarantee of the Directors of the company i.e. Shri Nitin Khara and Shri Elesh Khara)		
<b>From - IDBI Bank Ltd.</b>	6,97,44,995	
(Secured against Pledge of shares to the extent of 50 lacs held by the promoter group worth approx. Rs.4 Cr. and personal guarantee of the Directors of the company i.e. Shri Nitin Khara, Shri Nalin Khara and Shri Elesh Khara Payable within one Year Rs.6,97,44,995/- )		
<b>From - Central Bank of India</b>	2,09,51,104	79,76,465
(Secured against hypothecation of stock of Raw Material, Consumable, Finished goods, Work in Process, Booksdebts, second charge over entire fixed assets of the company and personal guarantee of the Directors of the company i.e. Shri Nitin Khara and Shri Elesh Khara)		
<b>From - Bank SBI Indonesia</b>	15,67,713	
(Secured against hypothecation of stock of Raw Material, Consumable, Finished goods, Work in Process, Booksdebts, second charge over entire fixed assets of the company and corporate guarantee of the M/s Confidence Petroleum India Limited)		
<b>TOTAL</b>	<b>86,03,12,524</b>	<b>67,60,01,473</b>

**"SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>Particular</b>	<b>"AS AT 31.03.2011" Rs.</b>	<b>"AS AT 31.03.2010" Rs.</b>
<b>SCHEDULE 'D' UNSECURED LOANS :</b>		
From Corporates	18,68,74,134	16,79,18,328
From Friends & Relatives	7,65,25,693	17,23,70,575
From SICOM Limited (Interest Free) (Under Deferral Package Scheme of Incentive 1993.	1,89,79,918	1,89,79,918
Deposit Received against Cylinders	18,52,33,822	18,42,50,274
<b>TOTAL</b>	<b>46,76,13,567</b>	<b>54,35,19,094</b>
<b>MINORITY INTEREST :</b>		
Minority Interest in Capital	8,39,44,901	5,89,00,000
Minority Interest in Profits	5,23,31,060	88,16,021
<b>TOTAL</b>	<b>13,62,75,961</b>	<b>6,77,16,021</b>



**"SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

**SCHEDULE 'E' - FIXED ASSETS**

Particulars	Rate of Dep. %	ASSETS				DEPRECIATION				NET BLOCK	
		Opening Balance	Addition 2010-2011	Sale/Adj	Total Value	Upto 03/31/10	During the Year	Sale/Adj	Upto 03/31/11	As on 31.03.11	As on 31.03.10
LAND	0.00%	31,62,23,661	12,40,550	0	31,74,64,211	10,50,300	0	0	10,50,300	31,64,13,911	31,51,73,361
GOODWILL	20.00%	5,00,00,000	0	0	5,00,00,000	3,00,00,000	1,00,00,000	0	4,00,00,000	1,00,00,000	2,00,00,000
OFFICE BUILDING	5.00%	38,03,745	35,84,538	0	73,88,283	14,50,229	4,46,083	0	18,96,313	54,91,970	23,53,516
FACTORY BUILDING	10.00%	51,35,98,686	20,55,37,834	0	71,91,36,520	7,53,74,204	4,59,27,113	0	12,13,01,317	59,78,35,203	43,82,24,482
PLANT AND MACHINERY	13.91%	1,07,05,25,908	57,37,10,613	3,35,000	1,64,39,01,520	27,82,45,596	11,34,09,445	0	39,16,55,041	1,25,22,46,479	79,22,80,312
ELECTRICAL INSTALLATION	13.91%	7,16,26,315	7,30,64,022	0	14,46,90,337	1,95,60,983	57,89,017	0	2,53,50,000	11,93,40,337	5,20,65,332
VEHICLE	25.89%	1,67,93,565	33,85,992	0	2,01,79,557	86,79,248	25,83,847	0	1,12,63,095	89,16,462	81,14,317
HEAVY VEHICLE	40.00%	3,67,69,631	15,25,000	0	3,82,94,631	2,33,70,403	43,40,409	0	2,77,10,812	1,05,83,819	1,33,99,228
FURNITURE & FIXTURES	18.10%	1,08,23,741	35,42,500	0	1,43,66,241	62,69,545	12,88,270	0	75,57,815	68,08,426	45,54,196
COMPUTER	40.00%	88,09,556	21,98,152	0	1,10,07,708	54,69,204	13,10,311	0	67,79,515	42,28,193	33,40,353
OFFICE EQUIPMENT	13.91%	30,90,829	11,33,584	2,400	42,22,013	15,63,958	4,40,752	0	20,04,710	22,17,302	15,26,870
CYLINDERS	40.00%	26,52,34,417	1,180	0	26,52,35,597	26,27,15,309	18,80,551	0	26,45,95,861	6,39,736	25,19,108
TOTAL		2,36,73,00,054	86,89,23,965	3,37,400	3,23,58,86,620	71,37,48,978	18,74,15,800	0	90,11,64,778	2,33,47,21,842	1,65,35,51,076
WIP Project		16,82,32,960	24,47,27,553	14,66,67,004	26,62,93,508	0	0	0	0	26,62,93,508	16,82,32,960
TOTAL		2,53,55,33,014	1,11,36,51,517	14,70,04,404	3,50,21,80,128	71,37,48,978	18,74,15,800	0	90,11,64,778	2,60,10,15,350	1,82,17,84,036



**"SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>Particulars</b>		<b>"As at 31.03.2011"</b>	<b>"As at 31.03.2010"</b>
		<b>Rs.</b>	<b>Rs.</b>
<b>SCHEDULE 'F' INVESTMENTS</b>			
National Saving Certificate		22,000	22,000
Shares in Indian company (Unquoted)		1,03,630	1,03,630
"- Investment in in Partnership Business of M/s Sneha Petroleum, Bangalore"		62,50,000	62,50,000
"- Investment in Partnership Business of M/s Prachi Gaspoint, Gwalior"		19,00,000	19,00,000
- Investment in Garg Distilleries Pvt. Ltd.		2,63,29,855	2,63,29,855
LIC Mutual Fund		3,84,802	3,84,802
Shares in The Shamrao Vithal Cooperative Bank Ltd		12,700	12,700
Fully Paid 10000 Equity Shares of Rs.386.455 each in M/s. Agrasen Steel Tubes Pvt Ltd		38,64,553	38,64,553
Vijaya Bank (300 Shares @24/-)		7,200	7,200
Investment in Shares of Tirupati Urban Cooperative Bank Ltd		13,75,005	
	(a)	<b>4,88,09,745</b>	<b>3,88,74,740</b>
<b>In Equity Shares of Subsidiaries</b>	Face Value(Rs.)		
-100% holding in Shares of Envy Cylinders Pvt. Ltd	10	1,61,37,970	1,61,37,970
-100% holding in Shares of Hemkunt Petroleum Ltd	10	12,30,000	12,30,000
-100% holding in Shares of Taraa LPG Bottling Pvt. Ltd	100	1,00,000	1,00,000
-100% holding in Shares of Agwan Coach Pvt. Ltd.	10	2,45,35,671	2,45,35,671
-100% holding in Shares of Laxmi Nirmal Petrochemicals Ltd.	100	4,08,00,000	4,08,00,000
-100% holding in Shares of Virendra Petrochemicas Pvt Ltd.	10	2,36,00,000	2,36,00,000
-100% holding in Shares of Keppy Infrastructure Developers Pvt. Ltd.	10	27,65,000	27,65,000
-100% holding in Shares of Confidence Go Gas Ltd.	100	2,00,00,000	2,00,00,000
- 50% holding in Shares of Chhatisgarh Gaspoint Bottling Pvt. Ltd.	10	4,50,000	4,50,000
- 50% holding in Shares of Arihant Gaspoint Bottling Pvt. Ltd.	10		
- 50% holding in Shares of Kastkar Gaspoint Bottling Pvt. Ltd.	10	4,50,000	4,50,000
- 50% holding in Shares of Uma LPG Bottling Pvt. Ltd.	10	4,80,000	4,80,000
- 50% holding in Shares of Annapurna Gaspoint Bottling Pvt. Ltd.	10	4 50,000	4 50,000
- 50% holding in Shares of Aishwaryam Gaspoint Bottling Pvt. Ltd.	10		5 00,000
- 50% holding in Shares of STN Gaspoint Bottling Pvt. Ltd.	10	4 95,000	4 95,000
- 50% holding in Shares of Jagannath Gaspoint Bottling Pvt. Ltd.	10	4 90,000	4 90,000
- 50% holding in Shares of Gaspoint Bottling Pvt. Ltd.	10	50,000	50,000
	(b)	<b>13,20,33,641</b>	<b>13,25,33,641</b>
<b>In Joint Venture</b>			
-70% holding in Investment In Pt Surya Go Gas Indonesia		16,74,55,099	13,75,00,000
-50% holding in Partnership Business of M/s Deshmukh Go Gas		5,79,199	5,75,199
-50% holding in Partnership Business of M/s Jaiswal Go Gas		43,62,428	43,62,428
-50% holding in Partnership Business of M/s Kasturi Go Gas		8,23,606	8,23,606
-50% holding in Partnership Business of M/s Mahendra Go Gas		8,79,615	8,79,615
-50% holding in Partnership Business of M/s Mewani Go Gas		1,53,000	1,53,000
-50% holding in Partnership Business of M/s Nikita Go Gas		11,51,726	9,51,726
-50% holding in Partnership Business of M/s Parasmani Go Gas		2,76,738	2,76,738
-50% holding in Partnership Business of M/s Pushpraj Go Gas		7,58,530	7,58,530
-50% holding in Partnership Business of M/s Sagar Go Gas		14,40,705	11,47,810
-50% holding in Partnership Business of M/s Sagle Go Gas		,51,130	
-50% holding in Partnership Business of M/s Shirdhan Go Gas		17,11,421	17,11,421
-50% holding in Partnership Business of M/s Shree Ganesh Go Gas		9,92,745	9,92,745
-50% holding in Partnership Business of M/s Shri Gajanan Go Gas		28,68,736	20,71,276
-50% holding in Partnership Business of M/s Surya Go Gas		6,40,842	6,39,612
-50% holding in Partnership Business of M/s Vision Go Gas		22,03,307	22,03,307
-Investment in PT Indo Go Gas, Andalan Kita, Indonesia			5,32,84,621
	(c)	<b>18,63,48,827</b>	<b>20,83,31,634</b>
<b>TOTAL (a+b+c)</b>		<b>36,71,92,213</b>	<b>37,97,40,015</b>
Less : Investment in Subsidiaries for which shares has been issued		<b>29,66,23,740</b>	<b>26,66,68,641</b>
<b>Net Investment</b>		<b>7,05,68,473</b>	<b>11,30,71,374</b>

**"SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

PARTICULAR	"AS AT 31.03.2011" Rs.	"AS AT 31.03.2010" Rs.
<b>SCHEDULE 'G' INVENTORIES</b>		
At Lower of Cost or Net Realisable Value (As certified by the Management)		
Stock In Trade		
- Raw Materials	19,76,95,536	17,52,91,500
- Work in Progress	22,28,32,033	19,86,00,887
- Finished Goods	4,54,57,849	2,80,84,235
Components	1,04,39,431	1,03,15,164
Consumables	1,71,65,485	1,56,71,345
Stores and Spares	63,47,594	53,04,573
LPG	8,01,18,934	88,94,292
Scrap	1,67,24,670	1,27,74,627
Inventories	4,62,472	50,02,655
<b>TOTAL</b>	<b>59,72,44,004</b>	<b>45,99,39,279</b>
<b>SCHEDULE 'H' SUNDRY DEBTORS</b>		
(Unsecured, considered good)		
Debts Outstanding for a period exceeding six months	3,41,62,307	3,93,06,861
Others	83,83,70,933	65,31,23,370
<b>TOTAL</b>	<b>86,98,33,240</b>	<b>69,24,30,231</b>
<b>SCHEDULE 'I' CASH AND BANK BALANCES :</b>		
Cash in Hand	62,59,540	76 13 938
<b>Balances With Scheduled Banks :</b>		
In Current Account	2,53,81,669	2 42 71 353
<b>In Fixed Deposit Account</b>		
Fixed Deposit Account Without Lien	1,25,25,000	68 06 766
F.D.R.(Against BG Margin)	2,35,61,721	1 97 49 695
F.D.R. (Against L/C Margin Money /Others)	5,29,61,721	2 66 26 194
Interest Accrued	12,20,287	2 38 649
<b>TOTAL</b>	<b>12,19,41,381</b>	<b>8 53 06 595</b>

**"SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>SCHEDULE `J' LOANS AND ADVANCES :</b>	<b>"AS AT 31.03.2011"</b>	<b>"AS AT 31.03.2010"</b>
	<b>Rs.</b>	<b>Rs.</b>
(Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or kind or for value to be received	11,54,48,934	16,00,50,237
Advance Against Expenses	7,43,336	27,55,552
Advance Against Salary		30,000
Debit Balance of Sundry Creditors		
Deposits and Recoverable	13,83,54,394	5,97,70,085
Advance Payment of Income Tax	50,05,025	93,53,665
Balance with Excise on Current Account	1,44,69,255	1,01,06,610
<b>TOTAL</b>	<b>27,40,17,943</b>	<b>24,20,66,150</b>
<b>SCHEDULE `K' CURRENT LIABILITIES</b>		
<b>Sundry Creditors</b>		
Creditors for Goods and Expenses	46,89,37,288	36,71,91,152
Other Liabilities	4,03,70,868	2,79,98,856
Provision for Taxes	19,47,34,433	5,12,16,121
<b>TOTAL</b>	<b>70,40,42,588</b>	<b>44,64,06,129</b>
<b>SCHEDULE `L' Miscellaneous Expenditure</b>		
(To the extent not Written off or adjusted )	4,70,500	
Preliminary Expenses :	12,02,896	12,02,896
Balance Brought Forward	5,000	11,200
Less : Written off during the year	5,000	6,200
<b>TOTAL</b>	<b>16,73,396</b>	<b>12,07,896</b>



**"SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>PARTICULARS</b>	<b>"AS AT 31.03.2011" Rs.</b>	<b>"AS AT 31.03.2010" Rs.</b>
<b>SCHEDULE 'M' SALES AND OPERATIONAL INCOME</b>		
Sale of LPG/ CNG Cylinders and Raw Material	2,32,48,94,638	1,32,99,03,961
Sale of Scrap	11,12,52,521	4,99,42,045
Sale of Lpg and Auto LPG	8,07,98,23,162	3,69,65,78,044
Filling / Transport Charges / Project Income Received	1,19,10,63,530	50,83,89,351
	<b>11,70,70,33,851</b>	<b>5,58,48,13,402</b>
Less : Excise Duty Recovered	17,52,33,425	8,56,07,104
<b>TOTAL</b>	<b>11,53,18,00,426</b>	<b>5,49,92,06,298</b>
<b>SCHEDULE 'N' OTHER INCOME</b>		
Interest Income (TDS on Interest Income Cy. Rs. 210089 & PY Rs. 167906)	22,05,797,	33,14,387
Dividend Received	15,000	16,875
Miscellaneous Receipts	8,70,912	1,51,36,447
Income From JODO	19,15,534	9,57,254
Deposit on Leased Cylinders Adjusted		79,80,710
Rebates and Discount	10,76,953	1,18,63,142
<b>TOTAL</b>	<b>60,84,196</b>	<b>3,92,68,816</b>
<b>SCHEDULE 'O' INCREASE IN STOCKS</b>		
<b>Opening Stock</b>		
Finished Goods	2,89,70,914	1,72,52,941
Work in Progress	19,86,00,887	14,00,10,880
Scrap	1,27,74,627	1,08,99,813
<b>SUBTOTAL</b>	<b>24,03,46,428</b>	<b>16,81,63,634</b>
<b>LESS :</b>		
<b>Closing Stock</b>		
Finished Goods	4,71,59,651	2,89,70,914
Work in Progress	21,32,63,374	19,86,00,887
Scrap	1,67,24,670	1,27,74,627
<b>SUBTOTAL</b>	<b>27,71,47,695</b>	<b>24,03,46,429</b>
<b>INCREASE / (DECREASE) IN STOCKS</b>	<b>3,68,01,267</b>	<b>7,21,82,794</b>

**"SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>PARTICULARS</b>	<b>"AS AT 31.03.2011" Rs.</b>	<b>"AS AT 31.03.2010" Rs.</b>
<b>SCHEDULE 'P' COST OF GOODS CONSUMED / SOLD</b>		
<b>RAW MATERIAL CONSUMED :</b>		
Opening Stock	17,55,86,500	5,13,72,627
Add : Purchases	1,44,72,47,970	77,75,44,367
Less :-		
Discount Received	51,08,861	30,20,464
Closing Stock	19,31,55,354	17,52,91,500
<b>SUBTOTAL (A)</b>	<b>1,42,45,70,256</b>	<b>65,06,05,030</b>
<b>LPG CONSUMED :</b>		
Opening Stock	80,67,613	67,23,011
Add : Purchases	7,75,52,30,856	3,65,48,87,105
Less :-		
Closing Stock	7,84,74,132	80,67,613
<b>SUBTOTAL (B)</b>	<b>7,68,48,24,338</b>	<b>3,65,35,42,503</b>
<b>COMPONENTS CONSUMED :</b>		
Opening Stock	1,03,15,164	62,78,110
Add : Purchases	58,44,27,113	23,86,22,835
Less :-		
Closing Stock	1,03,82,431	1,03,15,164
<b>SUBTOTAL (C)</b>	<b>58,43,59,846</b>	<b>23,45,85,782</b>
<b>CONSUMABLES CONSUMED :</b>		
Opening Stock*	2,08,08,418	1,60,66,009
Add : Purchases	18,04,76,057	14,31,55,914
Less :-		
Closing Stock	2,35,13,078	2,09,15,918
<b>SUBTOTAL (D)</b>	<b>17,77,71,398</b>	<b>13,83,06,004</b>
<b>TOTAL (A+B+C+D)</b>	<b>9,87,15,25,837</b>	<b>4,67,70,39,318</b>
(figure for 2009-10 includes Stores and Spares)		
<b>SCHEDULE 'Q' EMPLOYEES BENEFITS</b>		
Salary and Wages including PF and Others	9,00,97,184	5,51,49,853
Staff and Labour Welfare	18,08,111	10,62,552
<b>TOTAL</b>	<b>9,19,05,295</b>	<b>5,62,12,405</b>

**"SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
AS AT 31ST MARCH, 2011"**

<b>PARTICULARS</b>	<b>"AS AT 31.03.2011" Rs.</b>	<b>"AS AT 31.03.2010" Rs.</b>
<b>SCHEDULE 'R' OPERATING AND OTHER EXPENSES</b>		
Factory expenses		
- Power and Fuel	5,11,49,043	4,18,03,059
- Plant Licences and other Exp.	74,82,244	52,04,347
- Carriage Inward	4,74,05,434	2,24,11,399
Consumables	1,12,430	13,37,484
- Job Work Charges	5,12,62,495	5,19,85,370
- Testing and Marking Fees	70,70,410	46,03,684
- Site Exp	2,88,10,403	
Explosive Expenses	5,55,675	5,84,322
Diesel exp.	25,07,089	3,45,233
Parking & others		
RTO & Insurance Charges	9,11,286	8,24,524
Diesel for tankers	2,32,41,047	1,75,89,518
Repair and Maintenance		
- Plant and Machinery	9,11,060	30,92,737
- Others	82,84,537	47,30,635
<b>TOTAL</b>	<b>23,07,03,152</b>	<b>15,45,12,312</b>
<b>SCHEDULE 'S' ADMINISTRATIVE AND SELLING EXPENSES</b>		
Rent, Rates and Taxes	8,90,780	9,44,121
Printing and Stationery / Postage & Courier	35,79,252	9,53,388
Remuneration to Auditors	5,56,000	5,14,500
Rental Expenses	1,94,70,463	1,19,05,431
Security Charges	55,00,667	33,53,400
Insurance Expenses	13,43,377	12,62,939
Carriage Outward	7,61,60,077	3,45,26,682
Travelling Expenses	1,99,53,357	1,21,80,976
Service Tax and WCT paid	12,12,936	14,39,568
Remuneration to Directors	92,38,769	75,40,000
Miscellaneous Expenses	1,02,36,449	50,42,057
LD Charges	8,12,356	4,99,831
Communication Expenses	24,45,946	23,04,040
Legal and Professional Charges	42,24,709	37,46,259
Filing Fees Roc and others	30,67,760	5,14,880
Advertising and Sales Promotion	21,06,631	18,12,019
Vehicle Expenses	16,16,984	14,51,780
Preliminary Expenses Written off	5,000	6,200
Other Administrative Exp.	44,62,050	17,55,149
<b>TOTAL</b>	<b>16,71,83,564</b>	<b>9,17,53,219</b>
<b>SCHEDULE 'T' INTEREST AND FINANCIAL CHARGES :</b>		
Interest to Bank on Term Loan	5,57,35,562	4,57,40,982
Interest to Bank on W/C and others	6,68,88,566	4,39,16,480
Bank Charges, LC Charges, Mortgage and Registration Charges	87,63,694	75,63,421
<b>TOTAL</b>	<b>13,13,87,822</b>	<b>9,72,20,883</b>



## **SCHEDULE 'U' SIGNIFICANT ACCOUNTING POLICIES TO THE REVISED CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**

### **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 Envy Cylinders Pvt. Ltd., M/s Hemkunt Petroleum Ltd., M/s Taara LPG Bottling Pvt. Ltd., M/s Confidence Go Gas Limited, M/s Laxmi Nirmal Petrochemicals Pvt. Ltd., M/s Virendra Petrochemicals Pvt. Ltd., M/s Keppy Infrastructure Developers Private Limited, M/s Agwan Coach Private Limited, PT Surya Go Gas Indonesia.
- 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.
  - a) 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 Accounting Standard (AS) 13 on "Accounting for Investments".
3. Other significant accounting policies These are set out under "Significant Accounting Policies" as given in the Unconsolidated Financial Statements of Confidence Petroleum India Ltd. and its subsidiaries.

As per our report of even date attached

For **Bhandari and Associates**

Chartered Accountants

FRN-112683W

FOR AND ON BEHALF OF THE BOARD

L. R. Bhandari  
Proprietor  
Mumbai,  
Dated:

**NITIN KHARA**  
Managing Director

**ELESH KHARA**  
Director

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

<b>I) Registration No. :</b>		<b>11- 079766</b>	<b>State Code - 11</b>
CIN No. :		L40200MH1994PLC079766	
Balance Sheet Date :		31.03.2011	
<b>II) Capital raised During The Year ( Amount in Thousand )</b>			
Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
<b>III) Position of Mobilisation and Deployment of Fund ( Amount in Thousand )</b>			
Total Liabilities	3329560	Total Assets	3329560
<b>Sources of Funds</b>			
Paid up Capital	258835	Reserves & Surplus	1883425
Secured Loans	827676	Unsecured Loans	301928
<b>Application of Funds</b>			
Net Fixed Assets	2073055	Investments	343404
Net Current Assets	912629	Miscellaneous Expenditure	471
Accumulated Losses			
<b>IV) Performance of Company ( Amount in Rs. Thousand )</b>			
Turnover	6514660	Total Expenditure	5852089
Profit Before Tax	662571	Profit After Tax	458758
Earning per Share in Rs.	1.17	Dividend Rate %	NIL

### V) Generic Names of the Principal Products / Services of the Company ( As per Monetary Term )

Item Code ( As per ITC Code )	73110001
Product Description	Liquified Petroleum Gas (LPG)/Liquid Industrial

As per our Report of even date

FOR BHANDARI & ASSOCIATES  
Chartered Accountants  
FRN-112683W

FOR AND ON BEHALF OF THE BOARD

Sd/-  
( NITIN KHARA )  
MANAGING DIRECTOR

Sd/-  
( ELESH KHARA )  
DIRECTOR

L.R. BHANDARI  
Proprietor

Place: Mumbai,  
Dated: 30th May 2011



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

## FORM OF PROXY

I/We ..... being a Member / Members of Confidence Petroleum India Limited hereby appoints Mr./Mrs./Miss..... of ..... in the district of..... Of failing him/her Mr./Mrs./Miss. .... of ..... in the district of ..... as my/our proxy to vote for me/us on my/our behalf at the Seventeenth Annual General Meeting of the Company to be held on Friday, the 30th September, 2011 at Gala No. 11-12, First Floor, Sita Estate, Vashi Naka, Mahul Road, Next To RCF Police Station, Chembur, Mumbai – 400074 at 02.30 P.M. and at any adjournment thereof.

Regd Folio No: .....

No. of Shares held.....

\_\_\_\_\_  
(Signature of Member/s as per specimen  
Signature on Company's record)

Note: Proxies in order to be valid must be duly filled in, stamped, signed and deposited at the Registered Office of the Company not less than 48 Hours before the time of commencement of the Meeting.



## CONFIDENCE PETROLEUM INDIA LIMITED

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

## ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Member/Proxy.....

(First)

(Middle)

(Surname)

I hereby record my presence at the Seventeenth Annual General Meeting of the Company held on Friday, 30th September, 2011 at Gala No. 11-12, First Floor, Sita Estate, Vashi Naka, Mahul Road, Next To RCF Police Station, Chembur, Mumbai – 400074 at .....Hours.

Regd. Folio No: .....

No. of Shares held.....

Please Affix  
Re. 1/-  
Revenue  
Stamp

\_\_\_\_\_  
(Signature of Member/Proxy)

Note: Persons attending the Annual General Meeting are required to bring their copies of Annual Reports as the practice of distribution of copies of the Report at the meeting has been discontinued.





BOOK POST



## Confidence Petroleum India Limited

Corporate Office:  
404, Satyam Apartments,  
8, Wardha Road, Dhantoli, Nagpur,  
Maharashtra - 440 016(India)  
Tel: +91-712-3250318/3250319,  
Fax: +91-712-6612083

Registered Office:  
B-13 Prabhu Kripa Society,  
Nanda Patkar Road,  
Near Telephone Exchange,  
Vile Parle East, Mumbai - 400 057

Visit us at: [www.confidencepetro.com](http://www.confidencepetro.com)