



Press Release
SARJU IMPEX LIMITED
February 06, 2026
Rating Assigned and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	2.47	ACUITE A Stable Assigned	-
Bank Loan Ratings	30.00	ACUITE A Stable Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	32.47	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of '**ACUITE A**' (read as **ACUITE A**) on the Rs.30.00 Cr bank facilities of Sarju Impex Limited (SIL). The outlook is '**Stable**'.

Acuite has assigned its long-term rating of '**ACUITE A**' (read as **ACUITE A**) on the Rs.2.47 Cr bank facilities Sarju Impex Limited (SIL). The outlook is '**Stable**'.

Rationale for rating

The rating reaffirmation factors in the group's strong business risk profile supported by revenue growth in FY25 & H1FY26 primarily from bulk/ merchant LPG trading, healthy financial risk profile with balanced capital structure, manageable leverage, and strong liquidity position backed by adequate cash accruals. The rating also draws comfort from diversification of the revenue base and consistent support from promoters. However, operating margins continue to decline in FY25 and H1FY26 due to higher contribution from low margin bulk/merchant trading and initial lower profitability of newly established CNG pumps and reducing revenue contribution from cylinder division. Further, the rating remains constraint due to the ongoing capex towards all the segments (majorly in the Auto LPG Dispensing Station (ALDS) & CNG Cylinder business), timely materialization and stabilization of which remains a key monitorable.

About the Company

Incorporated in 2008, SIL is a manufacturer of CNG Cylinders in India. Since, 2002, it is a 75 percent subsidiary of Confidence Futuristic Energetic Limited which in turn is a subsidiary of the flagship company Confidence Petroleum India Limited (CPIL) of the the Confidence Group. CPIL is a supplier of Auto LPG & LPG business in India with its network of bottling plants and ALDS Stations across India, and has diversified into the CNG segment through SIL. The manufacturing unit is located in Dahej, Gujarat. Its board of directors comprises Mr. Dineshkumar Damjibhai Jetani, Mr. Sarvesh Elesh Khara, and Mr. Sachin Shailesh Ghelani.

About the Group

Maharashtra based, Confidence Group is promoted by Mr. Nitin Poonamchand Khara. The group has two of its companies, viz; Confidence Petroleum India Limited (CPIL) & Confidence Futuristic Energetic Limited listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Most of the business concentration comes under CPIL which is engaged in

the manufacturing of LPG cylinders, ALDS and is a supplier of LPG in India with its network of bottling plants across India. The group has widespread network of 2000+ dealers & distributors

across India spreading in over 22 states. The group has recently forayed into CNG pump business. Further, it also deals in bulk/ merchant trading of LPG gas.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuité has considered the consolidated view of business and financial risk profiles of Confidence Petroleum India Limited along with its subsidiaries to arrive at this rating. The consolidation is in view of similar line of business and operational synergies between them. List of subsidiaries consolidated has been added below, separately in the Annexures-2.

Key Rating Drivers

Strengths

Established presence in the industry with considerable experience of promoters

The group is promoted by Mr. Nitin Khara and Mr. Elesh Khara, who possess more than two decades of experience in the LPG distribution business. The operations of the group are spread across the country with a total of 15-cylinder manufacturing units, 68 LPG bottling and blending plants and 325 ALDS with 295 currently operational. Therefore, this established position of the group along with diversification to various segment has supported the revenue growth over the years. The group recorded an increase in revenue to Rs.3145.76 Cr in FY2025 from Rs.2698.47 Cr in FY2024 (17% growth), primarily driven by higher LPG bulk/ merchant gas trading volumes, initiation of the CNG Pump business and growth in packed cylinder business. Further, in H1FY2026 revenue recorded substantial growth, stood at Rs.2095 Cr versus Rs.1523.69 Cr in H1FY2025, solely driven from bulk/merchant gas trading. Further, the group is with the help of established track record of operations and management experience, the group has been able to build reputed client profile spanning both private as well as government companies in the energy and oil industry, viz. IOCL, BPCL and HPCL among others. The group also has well-established relationships with suppliers such as Steel Authority of India (SAIL), etc. Also, the group is importing LPG mainly from Iraq.

Acuité believes that the group will continue to leverage its healthy relationships with customers and suppliers, operational track record and management expertise to further grow its presence in the industry.

Healthy financial risk profile

The group has a healthy financial risk profile marked by tangible net worth of Rs.1329.51 Cr as on 31 March 2025 against Rs.1148.80 Cr as on 31 March 2024. The improvement is driven by profit accretion to reserves and proceeds from conversion of share warrants into equity shares. The gearing level of the group remained below unity at 0.40 time as on 31 March 2025, reflecting a balanced capital structure. While with increasing working capital and long-term debts for capex and business growth, debt coverage indicators moderated in FY25, however, interest coverage ratio (ICR) and Debt service coverage ratio (DSCR) remained comfortable at 4.71 times in FY2025 and 2.64 times in FY2025 respectively.

Acuité believes the overall financial risk profile is expected to remain strong in near to medium term on account of healthy accruals and absence of any substantial increase in the debt.

Moderately intensive working capital operations

The group has a moderately intensive working capital with moderate reliance on limits. GCA days rose to 137 in FY2025 from 127 in FY2024 due to higher deposits/advances for LPG bulk procurement. Inventory days remained stable at 32. Debtor days increased to 36 in FY2025 from 21, though 98% of receivables were collected within 30 days in H1FY2026. Creditor days

rose to 14 from 9. Fund-based limit utilization stood moderate at ~70.07%, while non-fund-based limits remained low at ~25.99% over the six months ending November 2025.

Weaknesses

Declining margins

The operating profitability margins of the group is continuously declining from 13.43% in FY2024 to 10.44% in FY2025 and 8.70% in H1FY26. This is driven by higher revenue contribution from low margin bulk/merchant trading, initial lower profitability of newly established CNG pumps and reducing revenue contribution from cylinder division. Further, with increasing interest liabilities PAT margins are also expected to moderate. Therefore, improvement in margins with continued revenue growth remains a key rating monitorable.

Significant capex expansions

The group has outlined a capex of ~Rs. 200 Cr annually across all segments (majorly in CNG and ALDS segment) over the next three years. In FY2025, capex of Rs. 275 Cr was completed. Funding will primarily be through internal accruals, with limited debt. Further, the group is in the process of establishing a terminal at Porbandar Port. Going forward, timely materialization and stabilization of the capex remains a key monitorable.

Exposure to risk inherent in tender-based business and presence in highly regulated business

CG manufactures LPG cylinders and is also engaged in the bottling of LPG for PSU Oil majors. The group gets orders through tenders and operates in a highly fragmented industry, which limits its bargaining power, and may impact its profitability. However, the tenders include an escalation/ de-escalation clause on a monthly basis that restricts the risk to the extent of inventory carried by the group.

Further, the group is exposed to regulatory risks associated with tariff rates and changes in government policies for fuel. The group faces intense competition from other gas filling companies and gas pipeline companies with increased usage of gas pipeline in urban area. In addition to this, the group has to sell the cylinders only through permitted dealers with adequate/required/licensed infrastructure due to explosive/ PESO norms. This risk is to an extent mitigated on account of established network of 2000+ dealers across the country. Further, the group is exposed to volatility of margins as the total raw material cost forms ~69-70% of the total sale value. The prices of gases are decided by PSUs & being volatile in nature may affect group's ability to pass on the incremental prices to its customers.

ESG Factors Relevant for Rating

On the environmental front, the group advanced its sustainability agenda through extensive plantation drives across multiple locations, aimed at enhancing biodiversity, expanding green cover, and fostering long-term ecological balance while reducing its carbon footprint. Socially, the group has demonstrated strong responsibility by making significant contributions to CSR initiatives that benefit communities. On the governance front, the board comprises of highly experienced leaders with a balanced mix of Executive and Non-Executive Directors.

Rating Sensitivities

- Sustainable improvement in the margins along with revenue.
- Timely materialization and stabilization of the capex.
- Significant elongation in working capital management impacting the liquidity.
- Significant increase in debt levels thereby deteriorating the financial risk profile.

Liquidity Position Strong

The group has a strong liquidity position marked by healthy cash accruals of Rs.265.62 Cr against its maturing debt obligation of Rs.51.84 Cr during the same period. Going ahead, the company is expected to generate cash accruals in the range of ~Rs.250 Cr – Rs.280 Cr in FY26-FY27 against its maturing debt obligation in the range of Rs.23-25 Cr during the same

period. Further, the group has a moderate reliance on working capital limits with moderate fund-based limits utilization of ~70.07% and low non-fund-based limits utilization of ~25.99% over the six months ending November 2025. The group has an unencumbered cash and bank balance of Rs.28.47 Cr as on March 31, 2025. The current ratio stood comfortable at 1.91 times as on March 31, 2025.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	3145.76	2698.47
PAT	Rs. Cr.	90.84	105.28
PAT Margin	(%)	2.89	3.90
Total Debt/Tangible Net Worth	Times	0.40	0.37
PBDIT/Interest	Times	4.71	5.10

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any Other Information

Acuite has noted recent developments relating to search and seizure operations against Confidence Petroleum India Ltd and its Go Gas brand in October 2025, focusing on alleged unlicensed LPG storage, trading, and serious compliance violations. The Income tax raids covered multiple locations, including residences of promoter Nitin Khara and key executives, as part of an ongoing investigation into potential tax evasion and illegal operations. However, as highlighted by the management, the group has not received any notice of tax demand from the Department. Acuite will continue to closely monitor the developments in this regard, and this will remain a key monitorable.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
18 Feb 2025	Cash Credit	Long Term	30.00	ACUITE A Stable (Reaffirmed)
20 Aug 2024	Cash Credit	Long Term	30.00	ACUITE A Stable (Reaffirmed)
07 Aug 2024	Cash Credit	Long Term	30.00	ACUITE A Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	13.00	ACUITE Not Applicable (Withdrawn)
28 Mar 2024	Cash Credit	Long Term	30.00	ACUITE A Stable (Upgraded from ACUITE A- Positive)
	Proposed Long Term Bank Facility	Long Term	13.00	ACUITE A Stable (Upgraded from ACUITE A- Positive)
17 Jan 2023	Cash Credit	Long Term	40.00	ACUITE A- Positive (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	3.00	ACUITE A- Positive (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
INDUSIND BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE A Stable Reaffirmed
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA	Not avl. / Not appl.	Term Loan	28 Oct 2024	Not avl. / Not appl.	10 Oct 2029	2.47	Simple	ACUITE A Stable Assigned

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr. No.	Company Name
1	Confidence Petroleum India Limited
2	Confidence Go Gas Limited
3	Unity Cylinders Private Limited
4	Confidence Technologies Private Limited
5	Agwan Coach Private Limited
6	Keppy Infrastructure Developers Private Limited
7	Hemkunt Petroleum Limited
8	Nine Infra Projects Private Limited
9	Chhattisgarh Gaspoint Bottling Private Limited
10	Papusha Gases Private Limited
11	Confidence Futuristic Energetech Limited
12	Taraa LPG Bottling Private Limited
13	PT Surya Go Gas Indonesia
14	Sneha Petroleum
15	North East Cylinders

16	Blueflame Industries Private Limited
17	SV Engineering Equipments Private Limited
18	Uma Gaspoint Bottling Private Limited
19	Punjab Petroleum Private Limited
20	Confidence Enterprises Private Limited
21	Sarju Impex Limited
22	Jaypore Blueflames Private Limited
23	Suraj Cylinder Private Limited
24	Confidence Green Fuels Private Limited
25	Confidence Green Energy Private Limited
26	Silversky Exim Private Limited
27	BW Confidence Enterprise Private Limited
28	GBC LPG Private Limited
29	Confidence Futuristic Fuels Private Limited
30	PT Indogas Andalan Kita
31	PT Multi Artha Mandiri
32	Banglore Go Gas
33	K R Go Gas
34	Mahalsa Go Gas
35	Mahendra Go Gas
36	Neha Go Gas

37	Sri Go Gas
38	Sai Balaji
39	Shivdan Go Gas
40	Smart Go Gas
41	Gurunanak Go Gas
42	Evershine Petroleum Limited

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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