

Registered Office :

A-1, Corporate House, Shivalik Business Center,
Opp. Kensville Golf Academy, Bh. Rajpath Club,
Off S. G. Highway, Ahmedabad - 380059
CIN No. : L24119GJ2004PLC044011

☎ 079 40091111
✉ info@a1acid.com
🌐 www.a1acid.com



**A-1 ACID
LIMITED**

(Formerly known as A-1 Acid Pvt. Ltd.)

Date: 10.07.2020

To,
BSE LIMITED,
Compliance Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001
Security Id: AAL
Security Code: 542012

SUB: 17TH ANNUAL REPORT OF A-1 ACID LIMITED

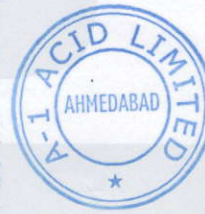
Dear Sir/ Madam,

Please find attached herewith a copy of 17th Annual report of the company in compliance of regulation 34 (1) of SEBI (LODR), 2015.

Please take the same on record.

Yours Sincerely,
For, A-1 ACID LIMITED

Harshadkumar N. Patel
Chairman & Managing Director
DIN: 00302819





17th
ANNUAL REPORT

2020-21



Registered Office: Corporate House No. A-1, Shivalik Business Centre, B/h. Rajpath Club, S. G. Highway,
Bodakdev, Ahmedabad, Gujarat - 380059 | **Email Id:** info@a1acid.com,
Website: www.a1acid.com | **Contact No:** 07940091111
CIN: L24119GJ2004PLC044011

A-1 ACID LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Harshadkumar Naranbhai Patel
Mr. Jitendra Naranbhai Patel
Mr. Utkarsh Harshadkumar Patel
Mrs. Lajju Hemang Shah
Mr. Chirag Rajnikant Shah
Mrs. Krishna Utkarsh Patel
Mr. Nitin Rikhavbhai Shah

CHIEF FINANCIAL OFFICER

Mr. Himanshu Sunil Thakkar

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Aanal Bharatbhai Patel

STATUTORY AUDITORS

M/s. Riddhi P. Sheth & Co.
Chartered Accountants
(FRN: 140190W)

SECRETARIAL AUDITOR

M/s. Sejal Shah & Associates
Practicing Company Secretaries,
CP No. 21683

BANKERS

Deutsche Bank AG
HDFC Bank Ltd.
State Bank of India
Kotak Mahindra Bank Limited

REGISTERED OFFICE

Corporate House No. A-1,
Shivalik Business Centre,
B/h. Rajpath Club, S.G. Highway,
Bodakdev, Ahmedabad-380059

CORPORATE IDENTITY NUMBER

L24119GJ2004PLC044011

WEBSITE

www.a1acid.com

INVESTOR SERVICES EMAIL ID

cs@a1acid.com

REGISTRAR AND SHARE TRANSFER AGENT

Cameo Corporate Services Limited
“Subramanian Building”,
1, Club House Road,
Chennai- 600 002
Contact: 044 40020700 / 044 28460390
Email Id: investor@cameoindia.com
cameo@cameoindia.com
Website: www.cameoindia.com

CONTENT OF ANNUAL REPORT 2020-21

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|----------------|--|
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A-1 ACID LIMITED

Registered Office: Corporate House No. A-1,
Shivalik Business Centre, B/h. Rajpath Club,
S. G. Highway, Bodakdev, Ahmedabad, Gujarat -380059
Email Id: info@a1acid.com
CIN: L24119GJ2004PLC044011
Website: www.a1acid.com
Contact No: +91 7940091111

NOTICE TO MEMBERS

Notice is hereby given that the 17th Annual General Meeting of the Members of **A-1 ACID LIMITED** (Formerly known as A-1 Acid Private Limited) will be held on Friday, 6th August, 2021 at 11:00 A.M. IST through video conferencing (“VC”) /Other Audio Visual Means (“OAVM”) to transact the following businesses:

ORDINARY BUSINESS:

ITEM NO. 1 ADOPTION OF FINANCIAL STATEMENTS:

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

To receive, consider and adopt the Audited Financial Statement for the financial year ended on March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon.

“RESOLVED THAT the Board’s Report with Annexure, the Statement of Profit and Loss and the Cash Flow Statement for the Financial Year ended March 31, 2021 and the Financial Statement as at that date together with the Independent Auditors’ Report thereon be and are hereby considered, approved and adopted.”

ITEM NO. 2 TO APPOINT MR. UTKARSH HARSHADKUMAR PATEL (DIN: 03055266) AS A DIRECTOR OF THE COMPANY BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT:

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

“RESOLVED THAT pursuant to Section 152 of the Companies Act 2013 and other applicable provisions, Mr. Utkarsh Harshadkumar Patel (DIN: 03055266) who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

SPECIAL BUSINESS:

ITEM NO. 3 TO INCREASE AUTHORISED SHARE CAPITAL OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Section-61(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the Authorised Share Capital of the Company, be and is hereby increased from 12,00,00,000/- (Rupees Twelve Crore Only) to Rs. 20,00,00,000/- (Rupees Twenty Crore only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs. 10 each by increase of 80,00,000 (Eighty Lakhs) Equity Shares of Rs. 10 each (Rs. Ten Only) which shall rank pari-passu in all respect with the existing Equity Shares of the Company.”

“RESOLVED FURTHER THAT any one director of the Company be and is hereby authorized to file Form-SH-7 with the Registrar of Companies, Gujarat, Ahmedabad and to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution.”

ITEM NO. 4 AMENDMENTS IN MEMORANDUM OF ASSOCIATION:

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

“RESOLVED THAT pursuant to the provisions of Section-13 and other applicable provisions, if any, of the Companies Act, 2013, the existing Clause – V of the Memorandum of Association of the Company, be and is hereby substituted by the following new Clause – V:

Clause – V: The Authorised Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crore only) divided into 2,00,00,000 (Two Crore Only) Equity Shares of Rs. 10 each (Rs. Ten Only).”

ITEM NO. 5 TO ISSUE BONUS EQUITY SHARES BY WAY OF CAPITALIZATION OF RESERVES:

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

“RESOLVED THAT in accordance with section 63 and other applicable provisions of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force, the relevant provisions of the memorandum and Articles of Association of the company and recommendation of the Board of Directors (hereinafter referred to as ‘The Board’), which expression shall be deemed to include a committee of directors duly authorized in this behalf of the company and subject to the regulations and guidelines issued by the Securities and Exchange Board of India (SEBI) including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time

to time) and applicable Regulatory Authorities and such permissions, sanctions and approvals as may be required in this regard, the consent of the Members of the Company be and is hereby accorded to the Board for capitalization of such sum standing to the credit of securities premium/ free reserves of the Company as may be considered necessary by the Board, for the purpose of issuance of bonus shares of Rs. 10/- (Ten) each, credited as fully paid up shares to the holders of existing Equity shares of the Company whose name appear in the Register of members maintained by the Company's Registrar and transfer Agents/list of beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central depository Services (India) Limited (CDSL) on such date ('record date') as may be fixed in this regard by the Board in proportion of 3 (Three) equity share for every 20 (Twenty) existing equity shares held by the members."

"RESOLVED FURTHER THAT, the Bonus Shares so allotted shall rank pari passu in all respect with the fully paid-up equity shares of the Company as existing on 'record date' (as determined by the Board) and shall always be subject to the terms and conditions contained in Memorandum and Articles of Association of the Company."

"RESOLVED FURTHER THAT no letter of allotment shall be issued in respect of the Bonus Shares and in case of Members who hold shares in dematerialized form, the bonus shares shall be credited to the respective beneficiary accounts of members with their respective depository participant."

"RESOLVED FURTHER THAT the issue and allotment of the Bonus Shares to Non-Resident members, Foreign Institutional investor (FIIS) & other foreign investors be subject to the approval of RBI as may be necessary."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the board be and is hereby authorised to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

ITEM NO: 6 TO MAKE INVESTMENT(S) IN M/S. A-1 SUREJA INDUSTRIES, PARTNERSHIP FIRM:

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

"RESOLVED THAT pursuant to the applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder as applicable, and in terms of the provisions of the Company's Memorandum and Articles of Association and subject to such other approvals, consents, sanctions and permissions, as may be necessary, consent of the Members, be and is hereby accorded to the Board of Directors of the Company to make investment/ acquisition of portion/share in M/s. A-1 Sureja Industries, Partnership firm up to an amount of Rs. 10.00 Crores (Rupees Ten Crore Only) ."

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient for implementation of the above resolution and matters connected therewith or incidental thereto including but not limited to delegation of all or any of the powers herein conferred to any director(s) or any other officer(s) of the Company, or to settle any questions, difficulties or doubts that may arise with regard to the above resolution, without being required to seek any further clarification, consent or approval of the Members.”

Date: 09.07.2021
Place: Ahmedabad

By Order of the Board of Directors,
A-1 ACID LIMITED

Registered Office:

Corporate House No. A-1, Shivalik Business
Centre, B/h. Rajpath Club, S. G. Highway,
Bodakdev, Ahmedabad-380059

Sd/-
Aanal Bharatbhai Patel
Company Secretary

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 physical attendance of the Members to the EGM/AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the 17th AGM of the Company is being held through VC / OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more

- shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
 6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 and SEBI Circular dated May 12, 2020 and January 15, 2021, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Notice of the AGM along with the Annual Report 2020-21 can also be accessed from the websites of the Stock Exchanges i.e. Bombay Stock Exchange of India Limited at www.bseindia.com or Website of company www.a1acid.com.
 7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
 8. The relevant details pursuant to regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed with the notice.
 9. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to csdharapatel@gmail.com (Scrutinizer), cs@a1acid.com(Company) and with a copy marked to evoting@nsdl.co.in.

10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held by them in electronic form.
11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.a1acid.com. Members are requested to submit the said details to their Depository Participant in case the shares are held by them in electronic form.
12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
13. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
14. Members desirous for any information or queries on accounts / financial statements or relating thereto are requested to send their queries at least seven days in advance to the Company at its registered office address to enable the Company to collect the relevant information and answer them in the Meeting.
15. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form.
16. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain close from Saturday, 31st July, 2021 to Friday, 6th August, 2021 (both days inclusive) in connection with the Annual General Meeting.
17. The Company or its Registrars and Transfer Agents, Cameo Corporate Services Limited cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants.
18. 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 their PAN to the Depository Participants with whom they maintain their demat accounts.

19. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
20. Non-Resident Members: Non Resident Indian Members are requested to inform Registrar and Transfer Agents, immediately of:
 - a. Change in their residential status on return to India for permanent settlement
 - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code, MICR No. and address of the bank, if not furnished earlier
21. The Company has fixed Friday, 30th July, 2021, as the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote in the Meeting.
22. Ms. Dhara Patel, Company Secretary in Practice (M. No: 29198, COP No.:10979) has been appointed as a Scrutinizer to scrutinize the voting and process for the Annual General Meeting in a fair and transparent manner.
23. The Explanatory Statement, pursuant to section 102 of the companies Act, 2013 setting out facts concerning the business under Item no.3, 4, 5 and 6 attached with the notice.
24. All documents referred to in the notice and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 a.m. and 4.00 p.m. on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Meeting and at the venue of the Meeting for the duration of the Meeting.
25. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

26. The Instructions for members for remote E-Voting are As under:-

The remote e-voting period begins on Tuesday, 3rd August, 2021, 2021 at 09:00 A.M. and ends on Thursday, 5th August, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 30th July, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 30th July, 2021.

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"><li data-bbox="646 751 1453 1455">1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<li data-bbox="646 1493 1453 1703">2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<li data-bbox="646 1761 1453 1883">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the |

| | |
|---|---|
| | <p>home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |

| | |
|--|--|
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
|--|--|

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43 |

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csdharapatel@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to NSDL at evoting@nsdl.co.in

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

1. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to (cs@a1acid.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
2. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are

allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number,

email id, mobile number at (cs@a1acid.com). The same will be replied by the company suitably.

**ANNEXURE TO THE NOTICE
DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE
17TH ANNUAL GENERAL MEETING
[PURSUANT TO REGULATION 36(3) OF THE SEBI
(LISTING OBLIGATIONS AND DISCLOSURE
REQUIREMENTS) REGULATIONS, 2015]**

| | |
|---|--|
| Name of Directors | UTKARSH HARSHADKUMAR PATEL |
| Date of Birth | 18.04.1991 |
| Age | 30 Years |
| Date of Appointment | 30.04.2010 |
| Qualifications | Graduation |
| Expertise in specific Functional Areas | <ul style="list-style-type: none"> • Coordinate the organization's financial activities to ensure all operations are efficient, profitable, and properly funded. • Create and implement policies to increase productivity, maximize profit and cut overhead costs. • Define organizational and department problems and create and implement plans to correct problems and make a more efficient company. • Develop new marketing strategies to quickly capitalize on trends and social media. • Restructured several lines to eliminate cash drains and increase overall revenue. • Improved profit margin 10% by sourcing new vendors and negotiating favourable contracts. • Implemented new quality assurance initiatives to increase product reliability and customer satisfaction. |
| Directors in other Public Companies | Nil |
| Other Positions | Nil |
| Membership of Committees in other unlisted Public Companies | Nil |
| Inter Relationship | Relative of (Husband) Krishna Utkarsh Patel (Director) and (Son) Harshadkumar Naranbhai Patel (Managing Director) |
| Shares held in the Company as at 31 st March, 2021 | 7,70,000 Shares |

EXPLANATORY STATEMENT (PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013)

The following statement sets out all material facts relating and the special businesses mentioned in the accompanying Notice:

ITEM NO: 3

TO INCREASE AUTHORISED SHARE CAPITAL OF THE COMPANY:

At present the Authorised Share Capital of the company is Rs. 12,00,00,000 (Twelve Crore Rupees Only) divided into 1,20,00,000 (One Crore twenty lakhs) equity shares of Rs. 10/- each out which paid up share capital of the company is Rs. 10,00,00,000 (Ten Crore only) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- each.

The Board of directors of the Company in its meeting held on 9th July, 2021 have recommended to increase Authorised share capital of the company from Rs. 12,00,00,000 to Rs. 20,00,00,000 by increase of additional 80,00,000 (Eighty Lakhs) equity shares of Rs. 10/- each.

As per the provisions of section 13 & 61 of the Companies Act, 2013 approval of the shareholders is required to be accorded for alteration of memorandum of association and for increasing the Authorised Share Capital of the company by way of passing resolution.

Accordingly, the Directors recommend the matter and the resolution set out under Item no. 3 for the approval of the members by way of passing of resolution.

None of the directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution. The Directors recommend the aforesaid resolution for approval by the members as Ordinary resolution.

ITEM NO: 4

TO AMEND THE CAPITAL CLAUSE IN THE MEMORANDUM OF ASSOCIATION:

The Board of directors of the Company in its meeting held on 9th July, 2021 have recommended to increase Authorised share capital of the company from Rs. 12,00,00,000 to Rs. 20,00,00,000 by increase of additional 80,00,000 (Eighty Lakhs) equity shares of Rs. 10/- each. Further in view of increasing the Authorised share capital it is also necessary to amend clause V of the Memorandum of Association to increase the Authorised Share Capital from Rs. 12,00,00,000 to Rs. 20,00,00,000.

As per the provisions of section 13 & 61 of the Companies Act, 2013 approval of the shareholders is required to be accorded for alteration of memorandum of association and for increasing the Authorised Share Capital of the company by way of passing resolution.

Accordingly, the Directors recommend the matter and the resolution set out under Item no. 4 for the approval of the members by way of passing of resolution.

None of the directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution. The Directors recommend the aforesaid resolution for approval by the members as Ordinary resolution.

ITEM NO: 5

TO ISSUE BONUS EQUITY SHARES BY WAY OF CAPITALIZATION OF RESERVES:

The Equity shares of the company are listed on the BSE SME from October, 2018. The members are aware that the operations and performance of the company has grown significantly over the past years which has generated considerable interest in the Company's equity shares in the Market in order to improve the liquidity of the Company's shares in the stock market, the Board of Director of the company at their meeting held on 9th July,2021 considered it desirable to recommend issue of Bonus Shares in the ratio of 3:20 (Three equity shares Bonus for every twenty existing shares) subject to approval of shareholders and such other authorities as may be necessary. The issue of Bonus shares by capitalization of reserves is authorized by the existing Articles of Association of the Company.

Accordingly, the Directors recommend the matter and the resolution set out under Item no. 5 for the approval of the members by way of passing of resolution.

None of the directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution. The Directors recommend the aforesaid resolution for approval by the members as Ordinary resolution.

ITEM NO: 6: TO MAKE INVESTMENT(S) IN M/S. A-1 SUREJA INDUSTRIES, PARTNERSHIP FIRM:

The Board of directors of the company at its meeting held on 9th July, 2021 accorded its approval to make investment/ acquisition of portion/share in M/s. A- 1 Sureja Industries, partnership firm upto Rs. 10.00 Crores (Rupees Ten Crores Only) subject to the approval of shareholders at the Annual General meeting.

Accordingly, it is proposed to seek prior approval of Members vide an enabling Resolution to make investment in M/s. A-1 Sureja Industries, by way of acquisition portion/share, up to an amount of Rs. 10.00 Crores (Rupees Ten Crores Only)

Accordingly, the Directors recommend the matter and the resolution set out under Item no. 6 for the approval of the members by way of passing of resolution.

Mr. Harshadkumar Naranbhai Patel and his relatives Mrs. Ritaben Harshadbhai Patel, Mr. Utkarsh Harshadkumar Patel, Mrs. Krishna Utkarsh Patel, Ms. Helly Harshadkumar Patel, Mrs. Krishnaben Naranbhai Patel and Mr. Jitendra Naranbhai Patel are financially or otherwise, concerned or interested in the resolution being related party. The Directors recommend the aforesaid resolution for approval by the members as Ordinary resolution.

DIRECTORS' REPORT

To,
The Members,
A-1 ACID LIMITED

The Directors present the 17th Annual report of the Company along with the audited financial statements for the financial year ended March 31, 2021.

FINANCIAL PERFORMANCE:

The Company's financial performance for the year under review along with previous year figures is given hereunder:

| Particulars | (Rs. In Lakhs) | |
|--|----------------------|----------------------|
| | Standalone | |
| | Financial Year | Financial Year |
| | 2020-21 (FY 2021) | 2019-20 (FY 2020) |
| Revenue from Operations | 14518 | 11561 |
| Other Income | 385 | 421 |
| Total revenue | 14903 | 11982 |
| Operating Profit (Before Finance Cost and Depreciation & Amortisation) | 768 | 785 |
| Less: Finance Cost | 72 | 86 |
| Profit before Depreciation & Amortisation | 696 | 699 |
| Less: Depreciation & Amortisation | 281 | 283 |
| Profit before Exceptional and Extraordinary item and Tax | 415 | 416 |
| Less: Exceptional items (Impairment Loss) | 0 | 0 |
| Profit before Tax | 415 | 416 |
| Less: Net Current Tax Expense pertaining to current year | 97 | 103 |
| Less/(Add): Tax Adjustments of earlier year | 5 | (3) |
| Less/(Add): Deferred Tax | 40 | (2) |
| Profit after Tax | 273 | 318 |
| Earnings per share for continuing operation | | |
| Basic | 2.73 | 3.18 |
| Diluted | 2.73 | 3.18 |

DIVIDEND:

In order to conserve the reserve, your directors do not recommend any dividend for the financial year ended, 31st March, 2021.

TRANSFER TO RESERVE& SURPLUS:

The net profit of the company for F.Y. 2020-21 is Rs. 273 Lakhs. The profit of F.Y. 2020-21 has been transferred to the surplus account.

COMPANY'S PERFORMANCE REVEIW:

On a standalone basis, the revenue from operations for FY 2020-2021 was Rs.14518 Lakhs over the previous year's revenue from operations of Rs.11561 Lakhs which is 20.36% more than previous year revenue from operations.

Net Profit after tax for FY 2020-2021 was Rs. 273 Lakhs against the previous year's Net Profit after tax of Rs. 318 Lakhs.

Earnings per Share for FY 2020-2021 were Rs. 2.73 against the previous year's Earnings per Share of Rs. 3.18.

The Company definitely provide better results to the shareholders in upcoming year via better performance.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

The novel coronavirus (COVID-19) pandemic is spreading around the globe including India rapidly and causing significant disturbance and slowdown of economic activity. The Company has made detailed assessment of it's liquidity position for the next year and the recoverability of the Company's assets such as Trade receivables, Inventories, Advances, etc. as at the Balance Sheet date, using reasonably available information, estimates and judgments. The Company, as at the date of approval of these financial results has used internal and external sources on the expected future of the Company and has determined that none of these balances requires a material adjustment to their carrying value. The Company believes that impact of COVID-19 on the Company's financial statement is not material.

CHANGE IN ACCOUNTING POLICY:

The Company adopted Indian accounting standard ("Ind As") prescribed under section 133 of the companies act, 2013 read with relevant rules issued there under and in terms of Regulation 33 of the SEBI (LODR) Regulations, 2015 and the Companies (Indian accounting Standards) (Amendment) Rules, 2016. Beginning April 1, 2020 the company has for the first time adopted INDA AS with the transition date of April 1, 2019.

SHARE CAPITAL:

During the period under review, there has been no change in the paid up share capital and authorised share capital of the Company which stands at Rs. 10,00,00,000/- (Rupees Ten Crores) divided into 1,00,00,000 (One Crore only) equity shares of Rs. 10/- each and Rs. 12,00,00,000/- (Rupees Twelve Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs) equity shares of Rs. 10/- each respectively.

LISTING INFORMATION:

The Equity Shares in the Company are continued to be listed with BSE SME Platform and in dematerialized form. The ISIN No. of the Company is INE911Z01017.

STATEMENT PURSUANT TO LISTING AGREEMENT:

The Company Equity Shares is listed at Bombay Stock Exchange Limited (SME segment). The Annual Listing fee for the year 2021-22 has been paid.

DEPOSITS FROM PUBLIC:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet as per section 73 and 76 of the companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 from the part of the notes to the Financial Statements provided in this Annual Report.

UTILIZATION OF IPO FUND:

The Initial Public Offer fund is utilized for the purpose for which the amount is raised as mentioned in the prospectus and there is no deviation or variation in the Utilization of IPO Fund.

CHANGE IN THE NATURE OF BUSINESS:

There is no Change in the nature of the business of the Company done during the year.

INTERNAL CONTROLS AND THEIR ADEQUACY:

The Company implemented suitable controls to ensure its operational, compliance and reporting objectives. The Company has adequate policies and procedures in place for its current size as well as the future growing needs. These policies and procedures play a pivotal

role in the deployment of the internal controls. They are regularly reviewed to ensure both relevance and comprehensiveness and compliance is ingrained into the management review process.

Adequacy of controls of the key processes is also being reviewed by the Internal Audit team. Suggestions to further strengthen the process are shared with the process owners and changes are suitably made. Significant findings, along with management response and status of action plans are also periodically shared with and reviewed by the Audit Committee. It ensures adequate internal financial control exist in design and operation.

M/s. S V R P & CO. is the internal auditor of the Company for the F.Y. 2020-21 who conducts Internal audit and submit reports to the Audit Committee. The Internal Audit is processed to design to review the adequacy of internal control checks in the system and covers all significant areas of the Company's operations. The Audit Committee reviews the effectiveness of the Company's internal control system.

DETAILS OF HOLDING, SUBSIDIARY AND ASSOCIATES:

The Company does not have any holding, subsidiary and associate Company during the period of Reporting.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are under:

| Sr. No. | Particulars | Comments |
|---------|---|---|
| (A) | Conservation of energy | |
| (i) | the steps taken or impact on conservation of energy; | Energy conservation is very important for the company and therefore, energy conservation measures are undertaken wherever practicable in its plant and attached facilities. The Company is making every effort ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient equipment's with latest technologies. Impact on conservation of energy was that the electricity load expenses reduced. |
| (ii) | the steps taken by the Company for utilizing alternate sources of energy; | Nil |
| (iii) | the capital investment on energy conservation equipment | Nil |

| | | |
|------------|---|---|
| | | |
| (B) | Technology absorption | |
| (i) | the efforts made towards technology absorption | Your Company firmly believes that adoption and use of technology is a fundamental business requirement for carrying out business effectively and efficiently. While the industry is labour intensive, we believe that mechanization of development through technological innovations is the way to address the huge demand supply gap in the industry. We are constantly upgrading our technology to reduce costs and achieve economies of scale. |
| (ii) | the benefits derived like product improvement, cost reduction, product development or import substitution; | Nil |
| (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year : | |
| | (a) the details of technology imported | Nil |
| | (b) the year of import | N.A. |
| | (c) whether the technology been fully absorbed | N.A. |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and | N.A. |
| (iv) | the expenditure incurred on Research and Development | Nil |
| (C) | Foreign exchange earnings and Outgo | Inflow (In Rs.) |
| | The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows | Nil |
| | | Out Flow (In Rs.) |
| | | Nil |

INDUSTRIAL RELATION:

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As per Provisions of Section 152 of the Companies Act, 2013 Mr. Utkarsh Harshadkumar Patel is liable to retire by rotation and is eligible for re-appointment.

Mr. Krishna Utkarsh Patel was confirmed as Non-executive director w .e. f. September 25, 2020.

Ms. Helly Harshadkumar Patel was confirmed as Non-executive director w .e. f. September 25, 2020.

Mr. Nitin Rikhavbhai Shah was confirmed as Non-executive independent director w. e. f. September 25, 2020.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Act, with respect to Director Responsibility Statement, the Board of Directors, to the best of its knowledge and ability, confirm that:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 and Rules made thereunder for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a going concern basis;

(e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NUMBER OF BOARD MEETINGS AND ATTENDANCE:

During the Financial year 2020-21, Fourteen (14) board meetings were held. These were held on May 25, 2020; June 10, 2020; July 10, 2020; July 21, 2020; August 01, 2020; September 02, 2020; October 07, 2020; October 21, 2020; October 26, 2020; November 09, 2020; December 19, 2020; January 20, 2021, March 03, 2021 and March 10, 2021. The interval between any two meetings was well within the maximum allowed gap of 120 days.

The Composition of Board of directors and the details of meetings attended by the members during the year are given below.

| Name of the director | Category | No. of Board Meetings Held & Entitled to Attend | No. of Board Meetings Attended |
|---|------------------------------|---|--------------------------------|
| Mr. Harshadkumar Naranbhai Patel | Chairman & Managing Director | 14 | 14 |
| Mr. Jitendra Naranbhai Patel | Whole-time Director | 14 | 14 |
| Mrs. Lajju Hemang Shah | Independent Director | 14 | 6 |
| Mr. Chirag Rajnikant Shah | Independent Director | 14 | 5 |
| Mr. Utkarsh Harshadkumar Patel | Whole-time Director | 14 | 14 |
| Mrs. Hansa Bharatbhai Patel | Non-Executive Director | 14 | 8 |
| Mrs. Krishna Utkarsh Patel ^[1] | Non-Executive Director | 14 | 14 |
| Ms. Helly Harshadkumar Patel ^[2] | Non-Executive Director | 14 | 14 |
| Mr. Nitin Rikhavbhai Shah ^[3] | Independent Director | 14 | 3 |

(1) Confirmed as director with effect from September 25, 2020;

(2) Confirmed as director with effect from September 25, 2020;

(3) Confirmed as Independent director with effect from September 25, 2020.

COMMITTEES OF THE BOARD:

Matters of policy and other relevant and significant information are furnished regularly to the Board. To provide better Corporate Governance & transparency, currently, your Board has four (4) Committees viz., Audit Committee, Remuneration & Nomination Committee, Stakeholder Relationship Committee, Corporate Social responsibly committee look into various aspects for which they have been constituted. The Board fixes the terms of reference of Committees and also delegate powers from time to time.

AUDIT COMMITTEE:

The Audit Committee comprises of non-executive Independent Director and Director as its Member. The Chairman of the committee is Independent Director.

During the Financial year 2020-21, Seven (7) meeting of audit committee held on May 25, 2020; June 10, 2020; July 21, 2020; September 2, 2020; October 21, 2020; November 09, 2020; and February 25, 2021.

The Composition of Audit Committee and the details of meetings attended by the members during the year are given below.

| Sr. No. | Name of the Director | Status in Committee Nature | Nature of Directorship | No of Meetings Held & Entitled to Attend | No of Meetings attended |
|----------------|-----------------------------|-----------------------------------|--|---|--------------------------------|
| 1 | Mr. Chirag Rajnikant Shah | Chairman of committee | Non-Executive and Independent Director | 7 | 7 |
| 2 | Mrs. Lajju Hemang Shah | Member | Non-Executive and Independent Director | 7 | 7 |
| 3 | Mrs. Hansa Bharatbhai Patel | Member | Non-Executive and Non Independent Director | 7 | 7 |

RECOMMENDATIONS BY THE AUDIT COMMITTEE WHICH WERE NOT ACCEPTED BY THE BOARD ALONG WITH REASONS:

All the recommendations made by the Audit Committee are accepted and implemented by the Board of Directors.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee comprises of non-executive Independent Director and Director as its members. The Chairman of the Committee is an Independent Director.

During the Financial year 2020-21, one meeting of the Nomination and Remuneration Committee met on September 02, 2020.

| Sr. No. | Name of the Director | Status in Committee Nature | Nature of Directorship | No of Meetings Held & Entitled to Attend | No of Meetings attend ed |
|----------------|-----------------------------|-----------------------------------|--|---|---------------------------------|
| 1 | Mr. Chirag Rajnikant Shah | Chairman of committee | Non-Executive and Independent Director | 1 | 1 |

| | | | | | |
|---|-----------------------------|--------|--|---|---|
| | | | | | |
| 2 | Mrs. Lajju Hemang Shah | Member | Non-Executive and Independent Director | 1 | 1 |
| 3 | Mrs. Hansa Bharatbhai Patel | Member | Non-Executive and Non Independent Director | 1 | 1 |

The Nomination and remuneration policy available on the website of the company at www.a1acid.com.

STAKEHOLDER RELATIONSHIP COMMITTEE

The stakeholder relationship committee comprises non-executive Independent Director and Director as its members. The Chairman of the Committee is an Independent Director.

During the Financial year 2020-21, four (4) meeting of Stakeholder Relationship Committee were held on May 25, 2020, July 20, 2020, October 19, 2020 and January 18, 2021.

The Composition of Stakeholder and Relationship Committee and the details of meetings attended by the members during the year are given below:

| Sr. No. | Name of the Director | Status in Committee Nature | Nature of Directorship | No. of Meetings Held & Entitled to Attend | No. of Meetings attended |
|----------------|-----------------------------|-----------------------------------|--|--|---------------------------------|
| 1 | Mr. Chirag Rajnikant Shah | Chairman of committee | Non-Executive and Independent Director | 4 | 4 |
| 2 | Mrs. Lajju Hemang Shah | Member | Non-Executive and Independent Director | 4 | 4 |
| 3 | Mrs. Hansa Bharatbhai Patel | Member | Non-Executive and Non Independent Director | 4 | 4 |

CORPORATE SOCIAL RESPONSIBLY COMMITTEE:

The Corporate Social Responsibility committee comprises non-executive Independent Director and Director as its members. The Chairman of the Committee is an Independent Director.

During the Financial year 2020-21, One (1) meeting of Corporate Social Responsibility Committee was held on March 10, 2021.

The Composition of Corporate Social Responsibility Committee and the details of meetings attended by the members during the year are given below:

| Sr. No. | Name of the Director | Status in Committee Nature | Nature of Directorship | No. of Meetings Held & Entitled to Attend | No. of Meetings attended |
|----------------|----------------------------------|-----------------------------------|---|--|---------------------------------|
| 1 | Mr. Chirag Rajnikant Shah | Chairman of committee | Non-Executive and Independent Director | 1 | 1 |
| 2 | Mr. Harshadkumar Naranbhai Patel | Member | Managing Director | 1 | 1 |
| 3 | Mr. Nitin Rikhavbhai Shah | Member | Non-Executive and Additional Independent Director | 1 | 1 |

EXTRACTS OF ANNUAL RETURN:

In accordance with section 134(3)(a) of the Companies Act, 2013, an extract of Annual Return in the prescribed format is appended to this Report as Annexure I and also available on the website of the company at www.a1acid.com. The copy of Annual Return is available on the Website of the Company after conclusion of the AGM at www.a1acid.com.

CORPORATE GOVERNANCE REPORT:

As per regulation 15(2) of the Listing Regulation, the Compliance with the Corporate Governance provisions shall not apply in respect of the following class of the Companies:

- a. Listed entity having paid up equity share capital not exceeding Rs. 10 Crore and Net worth not exceeding Rs. 25 Crore, as on the last day of the previous financial year;
- b. Listed entity which has listed its specified securities on the SME Exchange.

Since, our Company falls in the ambit of aforesaid exemption (b); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it does not form the part of the Annual Report for the financial year 2020-21.

AUDITORS:

1. STATUTORY AUDITORS:

At the fifteenth AGM held on September 19, 2019 the Members approved appointment of M/s. Riddhi P. Sheth & Co., Chartered Accountants (Firm Registration No. 140190W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 20th AGM.

2. SECRETARIAL AUDITOR:

The Board of directors pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has appointed M/s. Sejal Shah & Associates (CP. No. 21683), Practicing Company Secretary, Ahmedabad as Secretarial Auditor of the Company to conduct the Secretarial Audit as per the provisions of the said Act for the Financial Year 2020-21.

A Secretarial Audit Report for the Financial Year 2020-21 is annexed herewith as Annexure-II in Form MR-3. There are no adverse observations in the Secretarial Audit Report which call for explanation.

3. INTERNAL AUDITOR:

The Board of directors has appointed M/s. S V R P & CO., Chartered Accountant as the internal auditor of the company on the recommendations of the Audit Committee for F.Y. 2020-21; The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board from time to time.

4. COST AUDITORS AND THEIR REPORT:

As per provision of section 148(3) of Companies Act, 2013 and rule 6(2) of Companies (Cost records and audit) Rules, 2014, the company is not required to appoint a cost auditor to maintain / audit the cost records of the company for cost audit report.

REVIEW OF AUDITORS REPORT AND SECRETARIAL AUDITORS REPORT:

There are no qualifications, reservations or adverse remarks made by Statutory Auditors M/s. Riddhi P. Sheth & Co., (FRN: 140190W), Chartered Accountants, Ahmedabad, in the Auditor's report and by Secretarial Auditors M/s. Sejal Shah & Associates, Ahmedabad, Practicing Company Secretary, in their Secretarial Audit Report for the Financial Year ended March 31, 2021.

REPORTING OF FRAUDS BY AUDITORS:

During the year under review, neither the Statutory nor the Secretarial Auditors has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") the Management Discussion and Analysis of the Company for the year under review is presented in a separate section forming the part of the Annual Report is attached here with as Annexure III.

DEMATERIALISATION OF SHARES:

During the year under review, all the equity shares were dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents 100% of the total paid-up capital of the Company. The Company ISIN No. is INE911Z01017 and Registrar and Share Transfer Agent is CAMEO CORPORATE SERVICES LIMITED.

DIRECTOR REMUNERATION AND SITTING FEES:

Member's attention is drawn to Financial Statements wherein the disclosure of remuneration paid to Directors is given during the year 2020-21. The remuneration and Sitting fees paid to Directors mentioned in Extract of Annual return.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with related parties which may have potential conflict with the interest of the company at large. Your Directors draw your attention to notes to the financial statements for detailed related parties' transactions entered during the year. Accordingly, as per third proviso to Section 188(1) of the Act, no approval of the Board or Members / Shareholders is required for such transactions. However, as part of good corporate governance, all related party transactions covered under Section 188 of the Act are approved by the Audit committee. The FORM AOC- 2 is attached as Annexure - IV with this report.

CREDIT RATING:

The company has not obtained any rating from any Credit Rating Agency during the year.

MEETING OF INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors met on March 10, 2021 inter alia, to discuss:

1. Review of the performance of the Non- Independent Directors and the Board of Directors as a whole.
2. Review of the Chairman of the Company, taking into the account of the views of the Executive and Non- Executive Directors.
3. Assess the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present in the meeting.

1. DECLARATION FROM INDEPENDENT DIRECTORS:

All the Independent Directors on the Board have given a declaration of their independence to the Company as required under section 149(6) of the Companies Act, 2013.

2. CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:

An Independent Director shall be a person of integrity and possess appropriate balance of skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing and technical operations or any other discipline related to the Company's business. The Company did not have any peculiar relationship or transactions with non-executive Directors during the year ended March 31, 2021.

3. FORMAL ANNUAL EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 the nomination and remuneration committee has laid down the evaluation of the performance of Individual Directors and the Board as a whole. Based on the criteria the exercise of evaluation was carried out through the structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings, etc. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by the Independent Director. The performance of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Director expressed their satisfaction with the evaluation process.

POLICIES OF THE COMPANY:

REMUNERATION AND APPOINTMENT POLICY:

The Company follows a policy on remuneration of Directors and senior management employees, details of the same are given in the website of the Company www.a1acid.com.

The committee must ensure that:

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and key managerial personnel of the quality required to run the company successfully.
- b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTION:

Your Company has adopted the policy on Materiality of Related Party Transaction to set out the dealing with the transaction between the Company and its related parties. The Policy on Materiality of Related Party Transaction has been available on the website of the Company www.a1acid.com.

POLICY OF CODE OF CONDUCT FOR DIRECTOR AND SENIOR MANAGEMENT:

Your Company has adopted the policy of code of Conduct to maintain standard of business conduct and ensure compliance with legal requirements. The Policy on Code of Conduct for Director and Senior Management has been available on the website of the Company www.a1acid.com.

PREVENTION OF INSIDER TRADING:

Pursuant to provisions of the regulations, the Board has formulated and implemented a Code of Conduct to regulate, monitor and report trading by employees and other connected persons and code of practices and procedure for fair disclosure of unpublished price Sensitive Information. The same has been available on the website of the Company www.a1acid.com.

POLICY ON THE PRESERVATION OF DOCUMENTS AND ARCHIVE POLICY:

Pursuant to provision of the regulations, the board has formulated the policy on the Preservation of Documents & Archive policy. The same has been available at the website of company at www.a1acid.com.

BUSINESS RISK MANAGEMENT:

The Company has taken various steps in connection with the implementation of Risk Management measures in terms of provisions contained in the Companies Act, 2013, after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by Board from time to time. Key risks identified are methodically addressed through mitigating actions on a continuing basis. The policy of risk management is made available on the website of the company at www.a1acid.com.

CORPORATE SOCIAL RESPONSIBILITY:

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company as adopted by the Board and the initiatives undertaken by the Company on CSR activities during the year under review are set out in Annexure V of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy of Corporate Social Responsibility is made available on the website of the company at www.a1acid.com.

VIGIL MECHANISM/WHISTLE BLOWER MECHANISM:

Your Company has framed a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Vigil Mechanism has been available on the website of the Company at www.a1acid.com.

POLICY ON IDENTIFICATION OF GROUP COMPANIES, MATERIAL CREDITORS AND MATERIAL LITIGATIONS:

Your Company has adopted a policy on identification of group companies, material creditors and material litigations. The policy on identification of group companies, material creditors and material litigations has been available on the website of the Company at www.a1acid.com.

POLICY ON DETERMINATION AND DISCLOSURE OF MATERIALITY OF EVENTS AND INFORMATION:

Your Company has adopted a Policy on Determination and Disclosure of Materiality of Events and Information. The Policy on Determination and Disclosure of Materiality of Events and Information has been available on the website of the Company at www.a1acid.com.

PARTICULARS REGARDING EMPLOYEES REMUNERATION:

During the year under review, there are no employees drawing remuneration which is in excess of the limit as prescribed under Section 197 of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The information pertaining to section 197 read with rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), 2014 is annexed herewith as Annexure-VI.

DISCLOSURES BY DIRECTORS:

The Board of Directors have submitted notice of interest in Form MBP 1 under Section 184(1) as well as information by directors in Form DIR 8 under Section 164(2) and declarations as to compliance with the Companies Act, 2013.

DISQUALIFICATIONS OF DIRECTORS:

During the financial year 2020-21 under review the Company has received Form DIR-8 from all Directors as required under the provisions of Section 164(2) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 that none of the Directors of your Company is disqualified; to hold office as director disqualified as per provision of Section 164(2) of the Companies Act, 2013 and debarred from holding the office of a Director pursuant to any order of the SEBI or any such authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20th June 2018 on the subject "Enforcement of SEBI orders regarding appointment of Directors by Listed Companies".

The Directors of the Company have made necessary disclosures, as required under various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SECRETARIAL STANDARD:

Your Directors states that they have devised proper systems to ensure compliance with the Secretarial Standards and that such system are adequate and operating effectively.

OTHER REGULATORY REQUIREMENT:

The Company has been complied with all regulatory requirements of central government and state government and there were no significant and material orders passed by the Regulators or Courts or Tribunals during the year impacting the going concern status and the Company's operations in future.

SEBI COMPLAINTS REDRESS SYSTEM (SCORES):

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of

actions taken on the complaint and its current status. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint on the SCORES during financial year 2020-21.

INVESTOR GRIEVANCES REDRESSAL STATUS:

During the Financial Year 2020-21, there were no complaints or queries received from the shareholders of the Company. Company Secretary, acts as the Compliance Officer of the Company is responsible for complying with the provisions of the Listing Regulations, requirements of securities laws and SEBI Insider Trading Regulations. The Investor can be sent their query at cs@a1acid.com.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules there under.

ACKNOWLEDGEMENT:

The Directors thank the Company's employees, customers, vendors, investors and academic partners for their continuous support.

The Directors also thank the Government of India, Governments of various states in India, concerned Government departments and agencies for their co-operation.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

Registered Office:
Corporate House No. A-1,
Shivalik Business Centre,
B/h. Rajpath Club,
S. G. Highway, Bodakdev,
Ahmedabad- 380059

For and on behalf of the Board,
A-1 ACID LIMITED

Date: 09.07.2021
Place: Ahmedabad

Sd/-
Harshadbhai N. Patel
Chairman & Managing
Director
DIN: 00302819

Sd/-
Jitendra N. Patel
Whole-Time Director
DIN: 00164229

Annexure I to Boards Report
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on
31st March, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | |
|--|--|
| i) CIN | L24119GJ2004PLC044011 |
| ii) Registration Date | 22/04/2004 |
| iii) Name of the Company | A-1 ACID LIMITED |
| iv) Category/Sub-Category of the Company | Company Limited by Shares |
| v) Address of registered Office and Contact Details | Corporate House No. A-1, Shivalik Business Centre, B/h. Rajpath Club, S. G. Highway, Bodakdev, Ahmedabad - 380059 |
| vi) Whether Listed Company | YES |
| vii) Name, Address and Contact details of Registrar and Share Transfer Agent, if any | Cameo Corporate Services Limited "Subramanian Building", 1, Club House Road, Chennai-600 002 Contact: 044 40020700 044 28460390 E-mail: investor@cameoindia.com Website: www.cameoindia.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|---------|--|---------------------------------|------------------------------------|
| 1 | Wholesale of Industrial Chemicals | NIC-46691 | 96.31% |
| 2 | Motorised Road Freight Transport | NIC-49231 | 3.69% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sr. No. | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY ASSOCIATE / |
|---------------|---------------------------------|---------|---------------------------------------|
| -----NIL----- | | | |

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

| Category code | Category of Shareholder | No. of shares held at the beginning of the year | | | | No. of shares held at the end of the year | | | | % Change during the year |
|---------------|---|---|----------|----------------|-------------------|---|----------|----------------|-------------------|--------------------------|
| | | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. | SHAREHOLDING OF PROMOTER AND PROMOTER GROUP | | | | | | | | | |
| 1. | INDIAN | | | | | | | | | |
| a. | INDIVIDUALS/ HINDU UNDIVIDED FAMILY | 7000000 | 0 | 7000000 | 70.0000 | 7000000 | 0 | 7000000 | 70.0000 | 0.0000 |
| b. | CENTRAL GOVERNMENT/ STATE GOVERNMENT(S) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| c. | BODIES CORPORATE | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| d. | FINANCIAL INSTITUTIONS/ BANKS | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| e. | ANY OTHER | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | SUB - TOTAL (A)(1) | 7000000 | 0 | 7000000 | 70.0000 | 7000000 | 0 | 7000000 | 70.0000 | 0.0000 |
| 2. | FOREIGN | | | | | | | | | |
| a. | INDIVIDUALS (NON-RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| b. | BODIES CORPORATE | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| c. | INSTITUTIONS | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| d. | QUALIFIED FOREIGN INVESTOR | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| e. | ANY OTHER | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | SUB - TOTAL (A)(2) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2) | 7000000 | 0 | 7000000 | 70.0000 | 7000000 | 0 | 7000000 | 70.0000 | 0.0000 |

| | | | | | | | | | | |
|-----------|--|---------------|----------|---------------|---------------|---------------|----------|---------------|---------------|---------------|
| B. | PUBLIC SHAREHOLDING | | | | | | | | | |
| 1. | INSTITUTIONS | | | | | | | | | |
| i. | FPI (INDIVIDUAL) CATEGORY II- | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| a. | MUTUAL FUNDS/UTI | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| b. | FINANCIAL INSTITUTIONS/ BANKS | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| c. | CENTRAL GOVERNMENT/ STATE GOVERNMENT(S) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| e. | INSURANCE COMPANIES | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| f. | FOREIGN INSTITUTIONAL INVESTORS | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| g. | FOREIGN VENTURE CAPITAL INVESTORS | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| h. | QUALIFIED FOREIGN INVESTOR | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| i. | ANY OTHER | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | | | | | | | | | | |
| | SUB - TOTAL (B)(1) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | | | | | | | | | | |
| 2. | NON- INSTITUTIONS | | | | | | | | | |
| a. | BODIES CORPORATE | 248112 | 0 | 248112 | 2.4811 | 262000 | 0 | 262000 | 2.6200 | 0.1388 |
| b. | INDIVIDUALS - | | | | | | | | | |
| | I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH | 395888 | 0 | 395888 | 3.9588 | 626000 | 0 | 626000 | 6.2600 | 2.3011 |
| | II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH | 2024000 | 0 | 2024000 | 20.2400 | 1690000 | 0 | 1690000 | 16.9000 | -3.3400 |
| c. | QUALIFIED FOREIGN INVESTOR | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| d. | ANY OTHER | | | | | | | | | |
| | CLEARING MEMBERS | 18000 | 0 | 18000 | 0.1800 | 28000 | 0 | 28000 | 0.2800 | 0.1000 |
| | HINDU UNDIVIDED FAMILIES | 314000 | 0 | 314000 | 3.1400 | 394000 | 0 | 394000 | 3.9400 | 0.8000 |
| | | 332000 | 0 | 332000 | 3.3200 | 422000 | 0 | 422000 | 4.2200 | 0.9000 |

| | | | | | | | | | | |
|-----------|---|-----------------|----------|-----------------|-----------------|-----------------|----------|-----------------|-----------------|---------------|
| | | | | | | | | | | |
| | SUB - TOTAL (B)(2) | 3000000 | 0 | 3000000 | 30.0000 | 3000000 | 0 | 3000000 | 30.0000 | 0.0000 |
| | TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2) | 3000000 | 0 | 3000000 | 30.0000 | 3000000 | 0 | 3000000 | 30.0000 | 0.0000 |
| | | | | | | | | | | |
| | TOTAL (A)+(B) | 10000000 | 0 | 10000000 | 100.0000 | 10000000 | 0 | 10000000 | 100.0000 | 0.0000 |
| | | | | | | | | | | |
| C. | SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED | | | | | | | | | |
| | Promoter and Promoter Group | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | Public | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | TOTAL CUSTODIAN (C) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | | | | | | | | | | |
| | GRAND TOTAL (A)+(B)+(C) | 10000000 | 0 | 10000000 | 100.0000 | 10000000 | 0 | 10000000 | 100.0000 | 0.0000 |

ii.) SHAREHOLDING OF PROMOTER AND PROMOTER GROUP:

| SL No | Shareholder's Name | Shareholding at beginning of the year 01/04/2020 | | | Shareholding at the end of the year 31/03/2021 | | | |
|-------|------------------------------|--|----------------------------------|--|--|----------------------------------|--|---------------|
| | | No of Shares | % of total Shares of the Company | % of Shares pledged/encumbered to total Shares | No of Shares | % of total Shares of the Company | % of Shares pledged/encumbered to total Shares | % Change |
| 1 | Jitendra Naranbhai Patel | 2730000 | 27.3000 | 0.0000 | 2730000 | 27.3000 | 0.0000 | 0.0000 |
| 2 | Harshadkumar Naranbhai Patel | 2730000 | 27.3000 | 0.0000 | 2730000 | 27.3000 | 0.0000 | 0.0000 |
| 3 | Utkarsh H. Patel | 770000 | 7.7000 | 0.0000 | 770000 | 7.7000 | 0.0000 | 0.0000 |
| 4 | Krishnaben Naranbhai Patel | 769600 | 7.6960 | 0.0000 | 769600 | 7.6960 | 0.0000 | 0.0000 |
| 5 | Ritaben Harshadbhai Patel | 100 | 0.0010 | 0.0000 | 100 | 0.0010 | 0.0000 | 0.0000 |
| 6 | Binduben Jitendra Patel | 100 | 0.0010 | 0.0000 | 100 | 0.0010 | 0.0000 | 0.0000 |
| 7 | Helly Harshadkumar Patel | 100 | 0.0010 | 0.0000 | 100 | 0.0010 | 0.0000 | 0.0000 |
| 8 | Keta Jitendra Patel | 100 | 0.0010 | 0.0000 | 100 | 0.0010 | 0.0000 | 0.0000 |
| | TOTAL | 7000000 | 70.0000 | | 7000000 | 70.0000 | | 0.0000 |

iii.) CHANGE IN PROMOTER AND PROMOTER GROUP SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

| Sr. No. | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 7000000 | 70.00 | 7000000 | 70.00 |
| | Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | #There is no change in Promoters and Promoter Group Shareholding during the financial year 2020-21. | | | |
| | At the end of the year | 7000000 | 70.00 | 7000000 | 70.00 |

#NO CHANGE IN PROMOTER'S SHAREHOLDING:

| SR. NO. | Name | Shareholding | | Date | Increase / Decrease in Shareholding | Reason | Cumulative Shareholding during the year | |
|---------|------------------------------|---|-------------------------------|-------------|-------------------------------------|--------|---|-------------------------------|
| | | No. of Shares At the Beginning (01/04/2020)/ end of the year (31/03/2021) | % total Shares of the Company | | | | No of Shares | % total Shares of the Company |
| 1 | JITENDRA NARANBHAI PATEL | 2730000 | 27.3000 | 01-Apr-2020 | -- | -- | 2730000 | 27.3000 |
| | | 2730000 | 27.3000 | 31-Mar-2021 | -- | -- | 2730000 | 27.3000 |
| 2 | HARSHADKUMAR NARANBHAI PATEL | 2730000 | 27.3000 | 01-Apr-2020 | -- | -- | 2730000 | 27.3000 |
| | | 2730000 | 27.3000 | 31-Mar-2021 | -- | -- | 2730000 | 27.3000 |
| 3 | UTKARSH H PATEL | 770000 | 7.7000 | 01-Apr-2020 | -- | -- | 770000 | 7.7000 |
| | | 770000 | 7.7000 | 31-Mar-2021 | -- | -- | 770000 | 7.7000 |
| 4 | KRISHNABEN NARANBHAI PATEL | 769600 | 7.6960 | 01-Apr-2020 | -- | -- | 769600 | 7.6960 |
| | | 769600 | 7.6960 | 31-Mar-2021 | -- | -- | 769600 | 7.6960 |
| | RITABEN | | | | | | | |

| | | | | | | | | |
|---|--------------------------|-----|--------|-------------|----|----|-----|--------|
| 5 | HARSHADBHAI PATEL | 100 | 0.0010 | 01-Apr-2020 | -- | -- | 100 | 0.0010 |
| | | 100 | 0.0010 | 31-Mar-2021 | -- | -- | 100 | 0.0010 |
| 6 | PATEL BINDUBEN JITENDRA | 100 | 0.0010 | 01-Apr-2020 | -- | -- | 100 | 0.0010 |
| | | 100 | 0.0010 | 31-Mar-2021 | -- | -- | 100 | 0.0010 |
| 7 | HELLY HARSHADKUMAR PATEL | 100 | 0.0010 | 01-Apr-2020 | -- | -- | 100 | 0.0010 |
| | | 100 | 0.0010 | 31-Mar-2021 | -- | -- | 100 | 0.0010 |
| 8 | KETA JITENDRA PATEL | 100 | 0.0010 | 01-Apr-2020 | -- | -- | 100 | 0.0010 |
| | | 100 | 0.0010 | 31-Mar-2021 | -- | -- | 100 | 0.0010 |

iv.) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS: (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

| SR NO | Name | Shareholding | | Date | Increase/ Decrease in Shareholding | Reason | Cumulative Shareholding during the year | |
|-------|---|---|-------------------------------|-------------|------------------------------------|--------|---|-------------------------------|
| | | No. of Shares At the Beginning (01/04/2020)/ end of the year (31/03/2021) | % total Shares of the Company | | | | No of Shares | % total Shares of the Company |
| 1 | VIJAY KUMAR BHANDARI | 268000 | 2.6800 | 01-Apr-2020 | | | 268000 | 2.6800 |
| | | | | 11-Sep-2020 | 4000 | Buy | 272000 | 2.7200 |
| | | | | 23-Oct-2020 | 711 | Buy | 272711 | 2.7271 |
| | | | | 30-Oct-2020 | 7289 | Buy | 280000 | 2.8000 |
| | | | | 25-Dec-2020 | 622 | Buy | 280622 | 2.8062 |
| | | | | 31-Dec-2020 | 13378 | Buy | 294000 | 2.9400 |
| | | 294000 | 2.9400 | 31-Mar-2021 | | | 294000 | 2.9400 |
| 2 | SUNNY K SOLANKI JT1 : ANKIT KUMAR MULJIBHAI SOLANKI | | | | | | | |
| | | 236000 | 2.3600 | 01-Apr-2020 | | | 236000 | 2.3600 |
| | | | | 03-Jul-2020 | -22000 | Sale | 214000 | 2.1400 |
| | | | | 28-Aug-2020 | -8000 | Sale | 206000 | 2.0600 |
| | | | | 06-Nov-2020 | -38000 | Sale | 168000 | 1.6800 |
| | | | | 13-Nov-2020 | -16000 | Sale | 152000 | 1.5200 |
| | | | | 27-Nov-2020 | -10000 | Sale | 142000 | 1.4200 |
| | | | | 04-Dec-2020 | -8000 | Sale | 134000 | 1.3400 |
| | | | | 11-Dec-2020 | -8000 | Sale | 126000 | 1.2600 |

| | | | | | | | | |
|---|--|--------|--------|-------------|--------|----------|--------|--------|
| | | | | 25-Dec-2020 | -28000 | Sale | 98000 | 0.9800 |
| | | | | 31-Dec-2020 | -42000 | Sale | 56000 | 0.5600 |
| | | | | 01-Jan-2021 | -32000 | Sale | 24000 | 0.2400 |
| | | | | 08-Jan-2021 | -24000 | Sale | 0 | 0.0000 |
| | | 0 | 0.0000 | 31-Mar-2021 | | | 0 | 0.0000 |
| | | | | | | | | |
| 3 | ALKA VIJAYKUM AR BHANDARI | | | | | | | |
| | | 230000 | 2.3000 | 01-Apr-2020 | | | 230000 | 2.3000 |
| | | | | 17-Jul-2020 | 229 | Purchase | 230229 | 2.3022 |
| | | | | 24-Jul-2020 | 1771 | Purchase | 232000 | 2.3200 |
| | | | | 04-Sep-2020 | 8000 | Purchase | 240000 | 2.4000 |
| | | | | 18-Sep-2020 | 6000 | Purchase | 246000 | 2.4600 |
| | | | | 16-Oct-2020 | -30000 | Sale | 216000 | 2.1600 |
| | | | | 30-Oct-2020 | -14000 | Sale | 202000 | 2.0200 |
| | | | | 06-Nov-2020 | -12000 | Sale | 190000 | 1.9000 |
| | | | | 13-Nov-2020 | -54000 | Sale | 136000 | 1.3600 |
| | | | | 20-Nov-2020 | -2000 | Sale | 134000 | 1.3400 |
| | | | | 18-Dec-2020 | -14000 | Sale | 120000 | 1.2000 |
| | | 120000 | 1.2000 | 31-Mar-2021 | 120000 | | 120000 | 1.2000 |
| | | | | | | | | |
| 4 | WAYS VINIMAY PRIVATE LIMITED | | | | | | | |
| | | 112000 | 1.1200 | 01-Apr-2020 | | | 112000 | 1.1200 |
| | | | | 17-Jul-2020 | -2000 | Sale | 110000 | 1.1000 |
| | | | | 08-Jan-2021 | -2000 | Sale | 108000 | 1.0800 |
| | | | | 15-Jan-2021 | -14000 | Sale | 94000 | 0.9400 |
| | | | | 22-Jan-2021 | -94000 | Sale | 0 | 0.0000 |
| | | 0 | 0.0000 | 31-Mar-2021 | 0 | 0.0000 | | |
| | | | | | | | | |
| 4 | WAYS VINIMAY PRIVATE LIMITED | | | | | | | |
| | | 0 | 0 | 01-Apr-2020 | | | 0 | 0 |
| | | | | 22-Jan-2021 | 98000 | Purchase | 98000 | 0.9800 |
| | | | | 29-Jan-2021 | -4000 | Sale | 94000 | 0.9400 |
| | | | | 05-Feb-2021 | -6000 | Sale | 88000 | 0.8800 |
| | | | | 26-Feb-2021 | -8000 | Sale | 80000 | 0.8000 |
| | | | | 26-Mar-2021 | -2000 | Sale | 78000 | 0.7800 |
| | | 64000 | 0.6400 | 31-Mar-2021 | -14000 | Sale | 64000 | 0.6400 |
| | | | | | | | | |
| 5 | SUFAL INVESTME NT. JT1 : FALGUNI | | | | | | | |

| | | | | | | | | |
|----|-----------------------------|--------|--------|-------------|--------|----------|--------|--------|
| | SUNNY SOLANKI | | | | | | | |
| | | 100000 | 1.0000 | 01-Apr-2020 | | | 100000 | 1.0000 |
| | | | | 26-Jun-2020 | -46000 | Sale | 54000 | 0.5400 |
| | | | | 30-Jun-2020 | -14000 | Sale | 40000 | 0.4000 |
| | | | | 17-Jul-2020 | -6000 | Sale | 34000 | 0.3400 |
| | | | | 24-Jul-2020 | 12000 | Purchase | 46000 | 0.4600 |
| | | | | 23-Oct-2020 | -14000 | Sale | 32000 | 0.3200 |
| | | | | 30-Oct-2020 | -10000 | Sale | 22000 | 0.2200 |
| | | | | 06-Nov-2020 | -22000 | Sale | 0 | 0.0000 |
| | | 0 | 0 | 31-Mar-2021 | | | 0 | 0 |
| | | | | | | | | |
| 6 | BABITABEN PATEL | 100000 | 1.0000 | 01-Apr-2020 | 0 | -- | 100000 | 1.0000 |
| | | 100000 | 1.0000 | 31-Mar-2021 | 0 | 0 | 100000 | 1.0000 |
| | | | | | | | | |
| 7 | PATEL HARSHABEN AKSHAY | | | | | | | |
| | | 80000 | 0.8000 | 01-Apr-2020 | | | 80000 | 0.8000 |
| | | | | 31-Jul-2020 | 14000 | Purchase | 94000 | 0.9400 |
| | | | | 07-Aug-2020 | 16000 | Purchase | 110000 | 1.1000 |
| | | 110000 | 1.1000 | 31-Mar-2021 | | | 110000 | 1.1000 |
| | | | | | | | | |
| 8` | GUINNESS SECURITIES LIMITED | 80000 | 0.8000 | 01-Apr-2020 | | | 80000 | 0.8000 |
| | | | | 19-Mar-2021 | -80000 | Sale | 0 | 0 |
| | | 0 | 0 | 31-Mar-2021 | | | 0 | 0 |
| | | | | | | | | |
| 8 | GUINNESS SECURITIES LIMITED | 2000 | 0.0200 | 01-Apr-2020 | | | 2000 | 0.0200 |
| | | | | 19-Mar-2021 | -2000 | Sale | 0 | 0 |
| | | 0 | 0 | 31-Mar-2021 | | | | |
| | | | | | | | | |
| 9 | NAND KISHORE JAIN | | | | | | | |
| | | 72000 | 0.7200 | 01-Apr-2020 | 0 | - | 72000 | 0.7200 |
| | | 72000 | 0.7200 | 31-Mar-2021 | 0 | - | 72000 | 0.7200 |
| | | | | | | | | |
| 10 | HARSADBHAI MANILAL PATEL | | | | | | | |
| | | 58000 | 0.5800 | 01-Apr-2020 | 0 | - | 58000 | 0.5800 |
| | | 58000 | 0.5800 | 31-Mar-2021 | 0 | - | 58000 | 0.5800 |
| | | | | | | | | |
| | | | | | | | | |

| | | | | | | | | |
|----|--|--------|--------|-------------|-------|----------|--------|--------|
| 11 | B B COMMERCIAL LTD | | | | | | | |
| | | 0 | 0.0000 | 01-Apr-2020 | | | 0 | 0.0000 |
| | | | | 17-Apr-2020 | 8000 | Purchase | 8000 | 0.0800 |
| | | | | 24-Apr-2020 | -8000 | Sale | 0 | 0.0000 |
| | | | | 08-May-2020 | 6000 | Purchase | 6000 | 0.0600 |
| | | | | 29-May-2020 | -6000 | Sale | 0 | 0.0000 |
| | | | | 24-Jul-2020 | 2000 | Purchase | 2000 | 0.0200 |
| | | | | 31-Jul-2020 | -2000 | Sale | 0 | 0.0000 |
| | | | | 07-Aug-2020 | 2000 | Purchase | 2000 | 0.0200 |
| | | | | 14-Aug-2020 | 6000 | Purchase | 8000 | 0.0800 |
| | | | | 28-Aug-2020 | -8000 | Sale | 0 | 0.0000 |
| | | | | 06-Nov-2020 | 18000 | Purchase | 18000 | 0.1800 |
| | | | | 13-Nov-2020 | 18000 | Purchase | 36000 | 0.3600 |
| | | | | 20-Nov-2020 | 8000 | Purchase | 44000 | 0.4400 |
| | | | | 11-Dec-2020 | 8000 | Purchase | 52000 | 0.5200 |
| | | | | 01-Jan-2021 | 6000 | Purchase | 58000 | 0.5800 |
| | | | | 08-Jan-2021 | 14000 | Purchase | 72000 | 0.7200 |
| | | | | 15-Jan-2021 | 24000 | Purchase | 96000 | 0.9600 |
| | | | | 22-Jan-2021 | 14000 | Purchase | 110000 | 1.1000 |
| | | | | 19-Feb-2021 | 2000 | Purchase | 112000 | 1.1200 |
| | | | | 12-Mar-2021 | 2000 | Purchase | 114000 | 1.1400 |
| | | | | 19-Mar-2021 | -2000 | Sale | 112000 | 1.1200 |
| | | | | 26-Mar-2021 | 4000 | Purchase | 116000 | 1.1600 |
| | | 116000 | 1.1600 | 31-Mar-2021 | | | 116000 | 1.1600 |
| 12 | NATIONAL STOCK EXCHANGE OF INDIA LIMITED ACCOUNT GUINNESS SECURITIES LIMITED | | | | | | | |
| | | 0 | 0.0000 | 01-Apr-2020 | | | 0 | 0.0000 |
| | | | | 19-Mar-2021 | 82000 | Purchase | 82000 | 0.8200 |
| | | 82000 | 0.8200 | 31-Mar-2021 | | | 82000 | 0.8200 |
| 13 | NIRALI VISHAL PATEL | 58000 | 0.5800 | 01-Apr-2020 | | | 58000 | 0.5800 |
| | | 58000 | 0.5800 | 31-Mar-2021 | | | 58000 | 0.5800 |

v.) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

| Sr. No | Promoter's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in |
|--------|-----------------|---|------------|-----|-------------------------------------|------------|-----|-------------|
| | | No. of | % of total | %of | No. of | % of total | %of | |
| | | | | | | | | |

| | | Shares | Shares of the company | Shares Pledged / encumbered to total shares | Shares | Shares of the company | Shares Pledged / encumbered to total shares | shareholding during the year |
|---|---|---------|-----------------------|---|---------|-----------------------|---|------------------------------|
| 1 | Mr. Harshadkumar Naranbhai Patel | 2730000 | 27.3000 | -- | 2730000 | 27.3000 | -- | -- |
| 2 | Mr. Jitendra Naranbhai Patel | 2730000 | 27.3000 | -- | 2730000 | 27.3000 | -- | -- |
| 3 | Mr. Utkarsh Harshadkumar Patel | 770000 | 7.7000 | -- | 770000 | 7.7000 | -- | -- |
| 4 | Ms. Helly Harshadkumar Patel ⁽¹⁾ | 100 | 0.0010 | -- | 100 | 0.0010 | -- | -- |

⁽¹⁾ Confirmed as director with effect from September 25, 2020.

V) INDEBTEDNESS (Amt. in Rs): Indebtedness of the Company including interest outstanding/ accrued but not due for payment-

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 67,609,330 | - | - | 67,609,330 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 67,609,330 | - | - | 67,609,330 |
| Change in Indebtedness during the financial year | | | | |
| Addition | 98,528,002 | - | - | 98,528,002 |
| Reduction | - | - | - | - |
| Net Change | 98,528,002 | - | - | 98,528,002 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 166,137,332 | - | - | 166,137,332 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 166,137,332 | - | - | 166,137,332 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER

(Amount in Rs.)

| Sr. No. | Particulars of Remuneration | NAME | | | Total Amount |
|---------|---|--|--------------------------|----------------------------|--------------|
| | | Harshadkumar Naranbhai Patel | Jitendra Naranbhai Patel | Utkarsh Harshadkumar Patel | |
| | | Managing Director | Whole Time Director | Whole Time Director | |
| 1 | Gross salary | 66,12,000 | 48,12,000 | 42,12,000 | 1,56,36,000 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 66,12,000 | 48,12,000 | 42,12,000 | 1,56,36,000 |
| | (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 | --- | --- | | -- |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | --- | --- | | --- |
| 2 | Stock Option | --- | --- | | -- |
| 3 | Sweat Equity | --- | --- | | --- |
| 4 | Commission | --- | --- | | -- |
| | - As % of Profit | --- | --- | | --- |
| | - others, specify | --- | --- | | -- |
| 5 | Others, Contribution to Provident Fund | --- | --- | | --- |
| | Total (A) | 66,12,000 | 48,12,000 | 42,12,000 | 1,56,36,000 |
| | Overall Ceiling as Per the Act | The Managerial remuneration is within the ceiling limits as per the Act. | | | |

B. REMUNERATION TO OTHER DIRECTORS (Amount in Rs.)

| SI. NO. | PARTICULARS OF REMUNERATION | FEE FOR ATTENDING BOARD / COMMITTEE MEETINGS | COMMISSION | OTHERS, PLEASE SPECIFY (Remuneration) | TOTAL AMOUNT |
|----------|--------------------------------------|--|------------|---------------------------------------|--------------|
| 1 | Independent Directors | | | | |
| 1 | Lajju Hemang Shah | 18000 | - | - | 18000 |
| 2 | Chirag Rajnikant Shah | 15000 | - | - | 15000 |
| 3 | Nitin Rikhavbhai Shah | 9000 | - | - | 9000 |
| 4 | Urvish Ratilal Patel* | 9000 | | | 9000 |
| | Total (1) | 51000 | - | - | 51000 |
| 2 | Other Non-Executive Directors | | | | |
| 1 | Krishna Utkarsh Patel | Nil | Nil | Nil | Nil |
| 2 | Helly Harshadkumar Patel | Nil | Nil | Nil | Nil |
| 3 | Hansa Bharatbhai Patel | 24000 | - | - | 24000 |
| | Total (2) | 24000 | - | - | 24000 |
| | Total (B)=(1+2) | 75000 | - | - | 75000 |
| | Total Managerial Remuneration | 75000 | - | - | 75000 |
| | Overall Ceiling as Per the Act | The sitting fees paid to other directors are within the maximum prescribed limits. | | | |

*Sitting fees for f.y. 2019-20

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: (Amount in Rs.)

| Sl. No. | Particulars of Remuneration | Name | |
|---------|---|------------------------|------------------------|
| | | Himanshu Sunil Thakkar | Aanal Bharatbhai Patel |
| | | CFO | Company Secretary |
| 1 | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 7,20,000 | 1,80,000 |
| | (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 | --- | --- |

| | | | |
|---|--|-----------------|-----------------|
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | --- |
| 2 | Stock Option | --- | --- |
| 3 | Sweat Equity | --- | --- |
| 4 | Commission | --- | --- |
| | - As % of Profit | --- | --- |
| | - others, specify | --- | --- |
| 5 | Others, Contribution to Provident Fund | --- | --- |
| | Total | 7,20,000 | 1,80,000 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| Compounding | Nil | Nil | Nil | Nil | Nil |
| B. DIRECTORS | | | | | |
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| Compounding | Nil | Nil | Nil | Nil | Nil |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| Compounding | Nil | Nil | Nil | Nil | Nil |
| | | | | | |

Registered Office:
Corporate House No. A-1,
Shivalik Business Centre, B/h.
Rajpath Club, S. G. Highway,
Bodakdev, Ahmedabad GJ
380059

Date: 09.07.2021
Place: Ahmedabad

For and on behalf of the Board,
A-1 ACID LIMITED

Sd/-
Harshadbhai N. Patel
Chairman & Managing
Director
DIN: 00302819

Sd/-
Jitendra N. Patel
Whole-Time Director
DIN: 00164229

ANNEXURE –II
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
A-1 ACID LIMITED
(Formerly known as A-1 ACID Private Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by A-1 ACID LIMITED (Formerly known as A-1 ACID Private Limited) (hereinafter called the company) Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the A-1 ACID LIMITED (Formerly known as A-1 ACID Private Limited) (hereinafter called the company) books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by A-1 ACID LIMITED (Formerly known as A-1 ACID Private Limited) (hereinafter called the company) (“the Company”) for the financial year ended on 31st March, 2021, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act);

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2014 (Not applicable to the Company during Audit Period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during Audit Period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during Audit Period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during Audit Period); and
- (vi) Other laws as applicable to the company as per the representations made by the management.

2. We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard issued by the Institute of Company Secretaries of India.
- (ii) The listing agreement entered into by the company with Bombay Stock Exchanges.

3. During the period under review and as per the explanations and clarifications given to us and the representations made by the management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

4. We further report that as far as we have able to ascertain –

-The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

-The compliance of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

-Adequate notice was given to directors in advance to schedule the Board Meetings, Agenda and notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting based upon notices shown to us.

-Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period

under review and minutes of the meetings duly recorded and signed by the chairman as minutes shown to us.

6. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

7. The equity shares of the Company were listed on SME platform of Bombay Stock Exchange.

Place: Ahmedabad

Date: 09.07.2021

UDIN: A053164C000601681

For, Sejal Shah & Associates.

Sd/-

Sejal Shah

Company Secretary

ACS: 53164/C.P. No: 21683

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
A-1 ACID LIMITED
(Formerly known as A-1 ACID Private Limited)

Our report of even date is to be read along with this letter.'

Maintenance of Secretarial Record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

Based on copy of agenda, minutes and attendance register presented by Management, we have verified that notices were given and minutes have been properly recorded in the Minute Book and the same have been signed.

We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company.

Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy of effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: 09.07.2021
UDIN: A053164C000601681

For, Sejal Shah & Associates.

Sd/-
Sejal Shah
Company Secretary
ACS: 53164/C.P. No: 21683

MANAGEMENT DISCUSSION AND ANALYSIS REPORT



- **ECONOMIC OVERVIEW:**

- **Global Economy:** Financial year 2020-21 witnessed a synchronized slowdown in both the advanced as well as developing economies across the globe. While the trade activities remained weak overall, some green shoots of recovery had started to emerge towards the end of the year. However, the unexpected outbreak of Coronavirus (COVID-19) pandemic disrupted the socio-economic balance across the world. The response to avoid the spread of this pandemic was a multi-phased lockdown resulting in restricted movement of people, goods and services.
- **Indian Economy:** The Indian economy witnessed a cyclical slowdown owing to weak private consumption, sluggish manufacturing activities and muted investments. The Government of India announced various measures to revive the economy, with the Reserve Bank of India (RBI) complementing with an accommodative policy stance for most parts of the year. The Government also took significant steps such as corporate tax rate cut and easing of credit, particularly for the stressed real estate and financial sector. At the same time, measures taken to boost investment, particularly under the National Infrastructure Pipeline, presented green shoots for growth. However, the inopportune COVID-19 outbreak in March 2020, brought the entire nation to a standstill. The consequent nationwide lockdown impacted business activities in all the segments of the economy

- **CHEMICAL INDUSTRY OVERVIEW:** The world landscape of the chemical industry is rapidly changing. The western countries are losing their share due to high energy prices, labour cost, and currency appreciation. Thus, emerging countries like India and China are capitalizing on this, pushing the industry to the next stage through development in technology, innovation and trade. This trend is expected to continue in the future.

- **STRENGTHS AND CHALLENGES:**

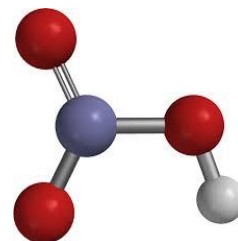
| STRENGTHS | CHALLENGES |
|---|---|
| A-1 ACID LTD. is one of the Largest Trader and Distributors of high quality Industrial Acids & Chemicals since more than Four and a half decade across India. | As the Indian Economy going through lot of turbulence, growth opportunities are bit contracted at this stage. |
| Experienced Management team. | Competition from local competitors who offer few products at lesser price; |
| Quality Assurance and Standards. | Material shortage/ undersupply and volatility in prices. |
| Cordial relationships with our suppliers. | |

- **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:** The Company implemented suitable controls to ensure its operational, compliance and reporting objectives are achieved. The Company has adequate policies and procedures in place for its current size as well as the future growing needs. These policies and procedures play a pivotal role in the deployment of the internal controls. They are regularly reviewed to ensure both relevance and comprehensiveness, and compliance is ingrained into the management review process.

Adequacy of controls of the key processes is also being reviewed by the Internal Audit team. Suggestions to further strengthen the process are shared with the process owners and changes are suitably made. Significant findings, along with management response and status of action plans are also periodically shared with and reviewed by the Audit Committee. It ensures adequate internal financial control exist in design and operation.

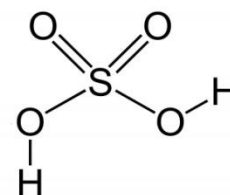
- **SEGMENT REVIEW:** Our company deals in following products:

- **NITRIC ACID (HNO₃) ALL GRADE (18-40%, 61%, 68%, 72%)** It is also referred to as fuming nitric acid. Depending on the amount of nitrogen dioxide present, fuming nitric acid is further characterized as white fuming nitric acid or red fuming nitric acid, at concentrations above 95%.



- **HYDROCHLORIC ACID:** Hydrochloric acid is manufactured to food grade and industrial grade specifications. Food grade hydrochloric acid finds use in the production of food ingredients, food additives and in the sugar and brewery industries, while the industrial grade finds application in metal pickling, latex coagulation, dyestuffs, leather treatment, petroleum refining, galvanising and water treatment.

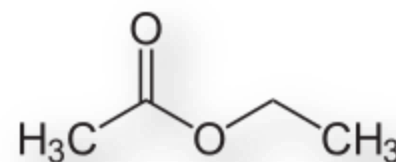
- **SULPHURIC ACID:** Sulphuric acid is a mineral acid with molecular formula H₂SO₄. It is a colorless, odorless, and syrupy liquid that is soluble in water, in a reaction that is highly exothermic. Its corrosiveness can be mainly ascribed to its strong acidic nature, and if concentrated its dehydrating and oxidizing properties. It is also hygroscopic, readily absorbing water vapour from the air. Sulphuric acid at even moderate concentrations is very dangerous upon



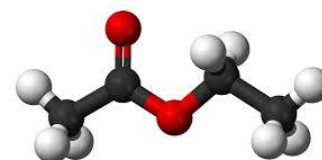
contact with skin.

The most common use of sulphuric acid (60% of total) is for fertilizer manufacture. It is also a central substance in the chemical industry. Principal uses include fertilizer manufacturing (and other mineral processing), oil refining, wastewater processing, and chemical synthesis. It has a wide range of end applications including in domestic acidic drain cleaners, as an electrolyte in lead-acid batteries and in various cleaning agents.

- **METHANOL:** Methanol is colorless, volatile, flammable, and poisonous. It is made from the destructive distillation of wood and is chiefly synthesized from carbon monoxide and hydrogen. Methanol is a polar liquid at room temperature. It is used as anti-freeze, solvent, fuel, and as a denaturant for ethanol.



- **ETHYL ACETATE:** This colorless liquid has a characteristic of sweet smell (similar to pear drops) and is used in glues, nail polish remover, decaffeinating tea and coffee, and cigarettes. Ethyl acetate is the ester of ethanol and acetic acid; it is manufactured on a large scale for use as a solvent.



- **FORMIC ACID:** Used as a coagulant for obtaining rubber from latex. As an auxiliary for declining and pickling of fur, fixing of dyes-in leather industry and in processing in textile industry. As an intermediate in manufacturing of basic drugs, plant protection agents, pesticides, vulcanisation accelerators, antioxidants and cleaning agents. Used in preservation of silage and grams. Used in electroplating and as a solvent as well.

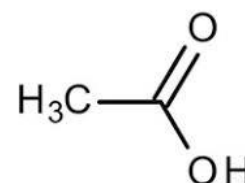
- **CALCIUM CARBONATE:** Calcium Carbonate is a white, odourless powder or colourless crystals. Precipitated calcium carbonate (CAS: 471-34-1) is produced industrially by the decomposition of limestone to calcium oxide followed by subsequent recarbonization or as a by-product of the Solvay process (which is used to make sodium carbonate).



- **TECHNICAL GRADE UREA (TGU):** Technical Grade Urea is an organic compound. Urea serves an important role in the metabolism of nitrogen-containing compounds. Urea is widely used in fertilizers as a source of nitrogen and is an important raw material for the chemical industry. It is a colorless, odorless solid, highly soluble in water, urea is basically non-toxic. The human body uses urea in many processes, most notably nitrogen excretion.



- **ACETIC ACID:** Acetic Acid is used in textile industries for textile processing and printing. Acetic acid is one of the simplest carboxylic acids. It is an important chemical reagent and industrial chemical that



is used in the production of plastic soft drink bottles, photographic film; and polyvinyl acetate for wood glue, as well as many synthetic fibres and fabrics.

- **SODIUM HYPOCHLORITE:** Sodium hypochlorite is an excellent steriliser, oxidiser and decolouring agent. It is used to make disinfectants and a variety of pharmaceutical drugs. It is also widely used for water treatment.

In the process, sodium hypochlorite (NaClO) and sodium chloride (NaCl) are formed when chlorine is passed into cold dilute sodium hydroxide solution. The solution must be kept below $40\text{ }^\circ\text{C}$ (by cooling coils) to prevent the undesired formation of sodium chlorate.

- **OLEUM:** Oleum is a cloudy, gray, fuming, oily, corrosive liquid, with a sharp, penetrating odor. Its composition is that of H_2SO_4 with dissolved SO_3 .

- **FORMALDEHYDE & PARAFORMAL DEHYDE:** Formaldehyde-based resins are used for making particle boards, medium density fireboard, plywood, cabinets, laminated countertops and insulation. Throughout the chemical industry and in the production of textile binders and paints.

- **CAUSTIC SODA LYE/ FLAKES:** Caustic soda is also known as lye or sodium hydroxide and is widely used in alumina refineries and in the manufacture of soaps and detergents, viscose fibre production and zeolite. It is also a raw material for a large number of chemicals used in the paper, textiles, dyes, refinery and other industries. Considered to be the most common base in chemical laboratories, caustic soda also finds use in the production of food additives.



- **HF-60%:** Hydrofluoric (HF) acid is used mainly for industrial purposes (e.g. glass etching, metal cleaning, electronics manufacturing). HF acid also may be found in home rust removers. HF solutions are particularly used in the glass industry (frosting, staining), in crystal activities (defrosting) and in ceramics activities. Also, in metallurgical field, these grades are used in surface treatment, cast-iron-steel and stainless steels cleaning. HF solutions are also used in other more general applications such as the separation of rare earth, or utilized as a catalyst.



PROVIDING LIQUID CHEMICAL TRANSPORTATION ALL OVER INDIA: Our Company provides transportation facilities to our customers through our owned fleet of tankers. Our products are marketed and sold in the states of Punjab, Gujarat, Maharashtra, Telangana, Jharkhand, Haryana, Karnataka, Madhya Pradesh, Odisha, Rajasthan, Andhra Pradesh, West Bengal and Uttar Pradesh. The products are provided to the customer on demand basis and as and when demand arises, the product is procured from the suppliers including companies like Gujarat Narmada Valley Fertilizers Company Limited (GNFC), Gujarat State Fertilizers & Chemicals Limited (GSFC), Hindalco Industries, Nirma Ltd, SRF Ltd, KIRI Industries & many other Industrial Units and is made available to the customer.

Note: The Performances of our products and services are covered in and form part of Director's Report.

- **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:** The country witnessed lockdown being implemented in the second fortnight of March 2020. Our Company has taken all safety precautions as per guidelines from the Government. During the period under the review, the company has reported a total income of Rs. 14,518 lakhs, this is 20.36% more than the previous year. Profit before tax for the period under the review is Rs. 415 Lakhs.
- **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:** We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

| Category | CC |
|--|----|
| Chairman cum Managing Director, Whole-Time Director | 3 |
| Independent & other Non-Executive Director | 6 |
| Accounts & Administration | 4 |
| Financial Operations | 1 |
| Secretarial & Legal | 1 |

Our HR Department ensures competent and committed team engaged in building a culture of learning to achieve excellence in performance and employee satisfaction by enhancing their skills through Training & Development Programs for innovation & continual improvement of the employees. At A-1 Acid, we lay a lot of emphasis on transparent and open two-way communication between the management and the employee.

- OUTLOOK:** The outlook for the global economy 2021 looked hopeful after the outbreak of Covid-19. It unleashed an unexpected blow through lockdown, by clogging off the demand and disrupting supply chain worldwide. This led the Government all around the world to announce stimulus packages to revive business, strengthen public health safety and security. The gradual lifting of lockdown will slowly allow reopening of the economy and force major economies to re-think about their raw material procurement strategy which was highly dependent on single source.

Major challenges remain for the Indian chemical companies. The chemical industry is highly fragmented with intense rivalry among companies. Because 100 percent FDI is allowed, domestic players can face stiff competition from foreign multinationals that have the ability to exert strong price pressures on local markets. Huge capital requirements, patent protection, R&D costs and personnel requirements present other challenges.

But for every challenge there is an equal if not greater opportunity. The fact remains that the center of gravity for the global chemical industry is moving to the East and Indian chemical companies are well-positioned to take advantage of this transition.

Our company is focusing on cost reduction measures as well as to improve processes to enhance customer satisfaction which will have a long term benefit in helping our company to achieve its goals and scale new heights in the growth path. This will not only help us in providing product at better economical & competitive rate but will also give us an overall ace in the Industrial Chemical Sector. With good order book and customer support and the product variety in hand, we expect good growth in the whole year.

- RISKS AND CONCERNS:** Your Company had put a risk management framework in place post a comprehensive review of its risk management process. Your Company takes a fresh look at the risk management framework through our Audit Committee at least once in a year. The review involved understanding the existing risk management initiatives and assessment of risks in the businesses as the relative control measures and arriving at the desired counter measures keeping in mind the risk appetite of the organization. The audit Committee has periodically reviewed the risks in the business and recommended appropriate risk mitigating actions.

The business of the Company is likely to be affected by various internal and external risks enumerated as under:

- Our success depends largely upon the services of our Promoter, Directors and other key managerial personnel and our ability to attract and retain them.
- The prices we are able to obtain for the products that we trade depend largely on prevailing market prices.
- We face intense competition in our businesses, which may limit our growth and prospects.
- Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.
- Global recession and market conditions could cause our business to suffer.
- Natural calamities and changing weather conditions caused as a result of global warming could have a negative impact on the Indian economy and consequently impact our business and profitability.
- Tax rates applicable to Our Company may increase and may have an adverse impact on our business.
- Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular. As a responsible employer, to ensure occupational safety and employment standards, your Company maintains strict safety and quality control programs to monitor and control these operational risks.

● **SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:**

| Key Financial Ratios | Financial Year 2020-21 | Financial Year 2019-2020 | Change in % | Explanation |
|--------------------------------------|-------------------------------|---------------------------------|--------------------|---|
| Profitability Ratios (%) | | | | |
| Operating Profit Margin | 3.279 | 4.159 | (21.16) | |
| Net Profit Margin | 1.88 | 2.56 | (26.56) | Due to Industrial Slowdown and COVID-19 |
| Return on Net Worth | 27.28 | 31.04 | (12.11) | |
| | | | | |
| Working Capital Ratios (Days) | | | | |
| Debtors Turnover | 76.69 | 79.31 | (3.30) | |
| Inventory Turnover | 3.77 | 2.65 | 42.26 | Due to Industrial Slowdown and COVID-19 |
| | | | | |
| Gearing Ratios | | | | |
| Interest Coverage | 7.85 | 5.18 | 51.54 | Due to Industrial Slowdown and COVID-19 |
| Debt/Equity | 0.52 | 0.33 | 57.57 | Due to Industrial Slowdown and COVID-19 |
| | | | | |
| Liquidity ratios | | | | |
| Current Ratio | 2.67 | 4.28 | (37.62) | |

- **DISCLOSURE OF ACCOUNTING TREATMENT:** The Company adopted Indian accounting standard (“Ind As”) prescribed under section 133 of the companies act, 2013 read with relevant rules issued there under and in terms of Regulation 33 of the SEBI (LODR) Regulations, 2015 and the Companies (Indian accounting Standards) (Amendment) Rules, 2016. Beginning April 1, 2020 the company has for the first time adopted INDA AS with the transition date of April 1, 2019.
- **CAUTIONARY STATEMENT:** Readers are cautioned that this **Management Discussion & Analysis** pertaining to A-1 Acid Limited contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words “anticipate,” “believe,” “estimate,” “intend,” “will,” and “expected” and other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Actual results, performances or achievements, risks and opportunities could differ materially from those expressed or implied in these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements as these are relevant at a particular point of time and adequate restraint should be applied in their use for any decision making or formation of an opinion. This document does not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company. This document neither gives any guarantee of return nor any recommendation of investment in the securities of the Company.

**ANNEXURE-IV TO BOARD'S REPORT
FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

All contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis: All the transactions were entered by the Company in ordinary course of business and were in arm's length basis:

| Name of Related Party | Nature of relationship | Nature of Contract / agreement / transactions | Duration of contracts / agreements / transactions | Salient terms of contracts or agreements, or transactions including the value, if any | Date(s) of approval by the Audit committee, if any: | Amount paid as advances , if any: |
|---------------------------------|--|---|---|---|---|-----------------------------------|
| Harshadkumar Naranbhai Patel | Managing Director | Rent Paid | ----- | ----- | 25.05.2020 | ----- |
| Jitendra N. Patel | Whole-time director | Rent Paid | ----- | ----- | 25.05.2020 | ----- |
| Krishnaben N. Patel | Mother of Director | Rent Paid | ----- | ----- | 25.05.2020 | ----- |
| Binduben J. Patel | Wife of Director | Rent Paid | ----- | ----- | 25.05.2020 | ----- |
| Ritaben H. Patel | Wife of Director | Rent Paid | ----- | ----- | 25.05.2020 | ----- |
| Numeron Multicuisine Restaurant | The director is proprietor of this firm. | Sales Promotion | ----- | ----- | 25.05.2020 | ----- |

(1) The Company has entered into contracts or arrangements with related parties as referred to in Section 188(1) of the Companies Act, 2013. However, all such transactions are entered into in the ordinary course of business and in the option of the Board all such transaction are at arm's length. Accordingly, by virtue of third proviso to Section 188(1) of the Act, no

approval of the Board or General Meeting as referred to in Section 188(1) and its first proviso is required for such transactions. However, as part of good corporate governance, all related party transactions covered under section 188 of the Act are approved by the Audit committee.

Annexure-V to Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2020-21

1. **A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs:**

Corporate Social Responsibility (CSR) is a large part of our overall sustainability policy encompassing social, economic and environmental actions. The policy is also aimed at demonstrating care for the community through its focus on education, healthcare, community development projects/programs etc. and supplementing the efforts of the local institutions/NGOs in the aforesaid fields to meet priority needs of the marginalized and underserved communities with the aim to help them to become self-reliant. These efforts are to be undertaken preferably in the local area and areas around our work centres/ project sites or other area/s if public needs so demands.

The Company approaches Corporate Social Responsibility (CSR) strategically – in order to ensure a sustainable future for people and planet. By focusing our talent, technology, and capital on social welfare, health care issues and educational concerns, we strive to enact positive social change in the society.

The CSR activities undertaken can be briefly summarized as follows:

- Promoting Education
- Promoting Socio economic development and relief
- Eradicating hunger, poverty & malnutrition
- Promoting Environmental Sustainability
- Social and Women Empowerment
- Various other social matters

The projects/programmes/activities undertaken/to be undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.

2. **The Composition of CSR Committee:**

| Name | Designation |
|----------------------------------|---------------------------|
| Mr. Chirag Rajnikant Shah | Chairman of CSR Committee |
| Mr. Nitin Rikhavbhai Shah | Member |
| Mr. Harshadkumar Naranbhai Patel | Member |

4. **Prescribed CSR Expenditure (2% of average net profit) :**
Not Applicable

5. Details of CSR spent during the Financial Year:

| | | | |
|-----|--|--------------------|-------------|
| (a) | Total amount spent for the financial year i.e. 2020-21 | | Rs.2,50,000 |
| | (I) For current Financial year i.e. 2020-21 | Not Applicable | |
| | (II) For the earlier years' unspent amount | Rs.2,50,000 | |
| (b) | Amount unspent, if any | Nil | |
| (c) | Manner in which the amount spent during the financial year | As per table below | |

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|---------|---|--|---|---|--|---|---|
| Sr. No. | CSR Project or activity identified | Sector in which the project is covered | Projects or Programs (1) Local area or other (2) Specify the State and District where the project or Programs were undertaken | Amount outlay (budget) project or programs wise (INR) | Amount spent on the projects or programs subhead (1) Direct Expenditure on projects or programs (2) Overhead (INR) | Cumulative expenditure up to the reporting period (INR) | Amount spent: Direct or through implementing agency |
| 1 | Contribution to the PM CARES Fund | Socio - economic development and relief etc. | --- | 2,00,000 | 2,00,000 | 2,00,000 | Direct to the PM CARES Fund |
| 2 | Contribution for Children Education, Literacy, New & renewal Energy | Education | --- | 50,000 | 50,000 | 50,000 | Direct to Atul Parekh Memorial Trust |

6. Reasons for not spending amount allocated for CSR activities: Not Applicable

7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

The Company recognizes its obligations to act responsibly, ethically and with integrity in its dealings with employees, community, customers and the environment as a whole. We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Registered Office:

Corporate House No. A-1,
Shivalik Business Centre, B/h.
Rajpath Club, S. G. Highway,
Bodakdev, Ahmedabad
380059

For and on behalf of the Board,
A-1 ACID LIMITED

Date: 09.07.2021
Place: Ahmedabad

Sd/-
Harshadbhai N. Patel
Chairman & Managing
Director
DIN: 00302819

Sd/-
Jitendra N. Patel
Whole-Time Director
DIN: 00164229

ANNEXURE-VI

DISCLOSURE UNDER SECTION 197(12), READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014].

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2020-21.

A. Remuneration of Whole-Time Directors & Managing Director:

| Sr. No. | Name of Director | Remuneration (Rs. In Lacs) | Ratio of remuneration to Median Remuneration of the employees | % increase in Remuneration in year ended 31 March 2021 |
|---------|--|----------------------------|---|--|
| 1 | Harshad N. Patel, Chairman & Managing Director | 66.12 | 13.775:1 | Nil |
| 2 | Jitendra N. Patel, Whole-Time Director | 48.12 | 10.025:1 | Nil |
| 3 | Utkarsh H. Patel, Whole-Time Director- Logistics | 42.12 | 8.77:1 | Nil |

B. Remuneration of Non-Executive Directors:

| Sr. No. | Name of Director | Designation | Ratio to MRE of the employees |
|---------|--------------------------|------------------------|-------------------------------|
| 4 | Hansaben B. Patel | Non-Executive Director | 0.05:1 |
| 5 | Lajju H. Shah | Independent Director | 0.0375:1 |
| 6 | Chirag R. Shah | Independent Director | 0.0312:1 |
| 7 | Krishna Utkarsh Patel | Non-Executive Director | Nil |
| 8 | Helly Harshadkumar Patel | Non-Executive Director | Nil |
| 9 | Nitin Rikhavbhai Shah | Independent Director | 0.018:1 |

Note: The remuneration of Independent and Non-Executive Directors comprises of only sitting fees paid to them for attending the meetings of the Board and other committee meetings. Hence, the percentage increase of their remuneration has not been considered for the above purpose.

C. Remuneration to Key Managerial Personnel:

| Sr. No. | Name of Director | Designation | % increase in Remuneration in year ended 31 March 2021 |
|---------|---------------------|--|--|
| 10 | Himanshu S. Thakkar | CFO | -- |
| 11 | Aanal Patel | Company Secretary & Compliance Officer | -- |

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: as above

3. The percentage increase in the median remuneration of employees in the financial year 2020-21: There was no increment made in the salary of the employees of the Company as well as in the managerial remuneration to mitigate the effects of COVID-19.

4. The number of permanent employees on the rolls of Company in the financial year 2020-21: 6 Employees

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration Average percentile increase made in the salaries of employees other than the managerial remuneration:

There was no increment made in the salary of the employees of the Company as well as in the managerial remuneration to mitigate the effects of COVID-19.

6. Affirmation that the remuneration is as per the remuneration policy of the Company
-We affirm that the remuneration paid is as per the remuneration policy of the Company.

Registered Office:
Corporate House No. A-1,
Shivalik Business Centre, B/h.
Rajpath Club, S. G. Highway,
Bodakdev, Ahmedabad-
380059

Date: 09.07.2021

Place: Ahmedabad

For and on behalf of the Board,
A-1 ACID LIMITED

Sd/-
Harshadbhai N. Patel
Chairman & Managing
Director
DIN: 00302819

Sd/-
Jitendra N. Patel
Whole-Time Director
DIN: 00164229

INDEPENDENT AUDITOR'S REPORT

To The Members of A-1 Acid Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of A-1 Acid Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss including the statement of other comprehensive income, the Statement of Cash Flows and the statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified (SAs) under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of matter

We draw attention to Note 35 to the Standalone Financial Statement, as regards the Board of Directors' evaluation of COVID-19 impact on the future performance of the Company. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

| Sr. | Key Audit Matter | Auditor's Response |
|-----|---|---|
| | <p>Recoverability assessment of trade receivables: The Company has a net trade receivables of INR 3627 Lacs after providing for bad and doubtful debts of INR 123 Lacs as at 31st March, 2021.</p> <p>Trade receivables of the Company comprises mainly receivables in relation to the Company's (i) trading business regarding the sale of Acid and (ii) services rendered for Transportation.</p> <p>The increasing challenges over the economy and operating environment in the trading industry during the year have increased the risks of default on receivables from the Company's customers. In particular, in the event of insolvency of customers, the Company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements Of the agreements.</p> <p>The recoverable amount was estimated by management based on their specific recoverability assessment on individual debtor with reference to the aging profile, historical payment pattern and the past record of default of the customer.</p> <p>Management would make provision based on the established model as well as specific provision against individual balances with reference to its recoverable amount.</p> <p>For the purpose of establishing provisioning model to make provision for bad and doubtful debts, significant judgments and assumptions, including the credit risks of customers, the timing and amount of realisation of these receivables, are required to be made.</p> | <p>Our response to the risk:</p> <p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> - Identification of loss events, including early warning and default warning indicators; - Assessment and approval of individual loss provisions; - Governance including model validation and the assessment of the suitability of models, appropriateness of assumptions, and approval of provisions; and Completeness and accuracy of data input into models and provision calculators. <p>We have performed the following procedures in relation to the recoverability of trade receivables:</p> <ul style="list-style-type: none"> • Tested the accuracy of aging of trade receivables at year end on a sample basis; • Obtained a list of outstanding receivables and identified any debtors with financial difficulty through discussion with management as well as conducting market research on the industry; • Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers and to consider if any additional provision should be made; and • Tested subsequent settlement of trade receivables after the balance sheet date on a Sample basis if any, <p>For modeled provisions, we tested data inputs used for modeled provisions. We assessed the appropriateness of the models used.</p> <p>Were performed the provision calculations and compared our measurement outcome to that prepared by management and investigated any Differences arising.</p> <p>We assessed the appropriateness and presentation of disclosures against relevant accounting standards.</p> |

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report including Annexures to the Directors' Report but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with

them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that:

In our opinion and according to the records of the Company examined by us and the information and explanation given to us, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For, Riddhi P. Sheth & CO
Chartered Accountants
Firm Registration number: 140190W

Sd/-
(Riddhi P.Sheth)
Proprietor
Membership No. 159123
UDIN: 21159123AAAAAJ3254

Place: Ahmedabad.

Date: June 09,2021

Annexure A to the Independent Auditors' Report

[Annexure referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report on financial statements for the year ended March 31, 2021 to the members of A-1 Acid Limited]

Report on Internal Financial Controls over Financial Reporting

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of A-1 Acid Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, Riddhi P. Sheth & CO
Chartered Accountants
Firm Registration number: 140190W

Sd/-
(Riddhi P.Sheth)
Proprietor
Membership No. 159123

Place: Ahmedabad.

Date: June 09, 2021

Annexure B to the Independent Auditors' Report

[Annexure referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report on financial statements for the year ended March 31, 2021 to the members of A-1 Acid Limited]

Referred to in our report of even date

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) According Majority of the fixed assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The company does not have any immovable properties of freehold or leasehold land and building, and hence reporting under clause 3(i)(c) of the order is not applicable.
- ii. (a) As explained to us, inventories have been physically verified at reasonable intervals by the management during the year. In our opinion, the frequency of the verification is reasonable. No material discrepancies were noticed during such verification.
- iii. The company has not granted any loans, secured or unsecured to companies, firm, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act. Therefore, the provisions of Clause 3 (iii) (a), (b) and (c) of the said Order are not applicable to the Company and hence not commented upon.
- iv. According to the information and explanations given to us and on the basis of examination of the records of the company, the company has not given any loans, guarantees and securities and made investments covered under section 185 of the Companies Act, 2013, however provisions of section 186 of the act have been complied with by the company as applicable.
- v. In our opinion, and according to the information and explanation given to us the company has not accepted any deposits as per the directives issued by the reserve bank of India under the provision of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3 (V) of the order is not applicable to the company.
- vi. As informed to us and according to the explanations given to us The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act, 2013 for any of the products manufactured/ services rendered by the company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income tax, duty of customs, and other material statutory dues, as applicable, though there has been a slight delay in few cases, with the appropriate authorities.

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income tax, duty of customs, and other material statutory dues in arrears as at March 31, 2021 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 the records of the Company examined by us, there are no dues of income tax or sales tax or service tax or goods and service Tax or duty of customs or duty of excise or value added tax as at 31 March, 2021 which have not been deposited with the appropriate authorities on account of any dispute.

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date. The company did not have any outstanding dues to debenture holders during the year.
- ix. Based on the information and explanations given by the management and on an overall examination of the balance sheet, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and that the term loans have been applied for the purposes for which they were raised.
- x. 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 explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. According to the records of the Company examined by us and the information and explanation given to us, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. Based on our examination of records of the Company and according to the information and explanations given to us, the transactions with related parties are in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standard.
- xiv. According to the records of the Company examined by us and the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, provisions of clause 3(xiv) are not applicable to the Company.

- xv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not a applicable to the Company.

For, Riddhi P. Sheth & CO
Chartered Accountants
Firm Registration number: 140190W

Sd/-
(Riddhi P.Sheth)
Proprietor
Membership No. 159123

Place: Ahmedabad.

Date: June 09, 2021

A-1 ACID LIMITED
STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

(INR in Lacs)

| Particulars | Notes | As at March 31, 2021 | As at March 31, 2020 | As at April 01, 2019 |
|--|-------|-------------------------|-------------------------|-------------------------|
| ASSETS | | | | |
| Non-Current Assets | | | | |
| Plant, Property and Equipment | 3A | 1,386 | 1,008 | 1,184 |
| Right of Use Assets | 3B | 0 | 47 | 110 |
| Capital Work-In- Progress | 3C | 9 | 31 | 27 |
| Goodwill | 3D | 31 | 31 | 31 |
| Financial Assets | | | | |
| (i) Other Financial Assets | 4 | 240 | 241 | 256 |
| Other Non-Current Assets | 5 | 4 | 66 | 23 |
| Total Non-Current Assets (A) | | 1,670 | 1,424 | 1,631 |
| Current Assets | | | | |
| Inventories | 6 | 190 | 110 | 67 |
| Financial Assets | | | | |
| (i) Trade Receivables | 7 | 3,627 | 2,473 | 2,522 |
| (ii) Cash and Cash Equivalents | 8 | 47 | 56 | 43 |
| (iii) Other Financial Assets | 9 | 74 | 118 | 126 |
| Current Tax Assets (Net) | 10 | - | 3 | 36 |
| Other Current Assets | 11 | 494 | 604 | 599 |
| Total Current Assets (B) | | 4,432 | 3,364 | 3,393 |
| Total Assets (A+B) | | 6,102 | 4,788 | 5,024 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Equity Share Capital | 12 | 1,000 | 1,000 | 1,000 |
| Other Equity | 13 | 3,021 | 2,748 | 2,430 |
| Total Equity (A) | | 4,021 | 3,748 | 3,430 |
| Non-Current Liabilities | | | | |
| Financial Liabilities | | | | |
| (i) Borrowings | 14 | 365 | 347 | 531 |
| Deferred Tax Liabilities (Net) | 15 | 56 | 16 | 18 |
| Total Non-Current Liabilities (B) | | 421 | 363 | 549 |
| Current Liabilities | | | | |
| Financial Liabilities | | | | |
| (i) Borrowings | 16 | 1,052 | 85 | 600 |
| (ii) Trade Payables | 17 | 139 | 27 | 120 |
| (iii) Other Financial Liabilities | 18 | 244 | 244 | 202 |
| Other Current Liabilities | 19 | 209 | 321 | 123 |
| Current Tax Liabilities (Net) | 10 | 16 | - | - |
| Total Current Liabilities (C) | | 1,660 | 677 | 1,045 |
| Total Liabilities (A+B+C) | | 6,102 | 4,788 | 5,024 |

The Notes on accounts form integral part of the standalone financial statements 1 to 37 (As per our report of even date)

FOR, RIDDHI P.SHETH & CO.

For and on Behalf of the Board Directors

Chartered Accountants

ICAI Firm Reg.No. : 140190W

Sd/-
Riddhi P.Sheth
Proprietor
M.No.159123

Sd/-
Harshadkumar Patel
Chairman & Managing
Director
(DIN: 00302819)

Sd/-
Jitendra Patel
Whole Time Director
(DIN: 00164229)

Sd/-
Himanshu Thakkar
CFO
Place : Ahmedabad
Date : June 09, 2021

Sd/-
Aanal Patel
Company Secretary

Place : Ahmedabad
Date : June 09, 2021

A-1 ACID LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(INR in Lacs)

| Particulars | Notes | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|---|-------|---|---|
| Revenue from Operations | 20 | 14,518 | 11,561 |
| Other Income | 21 | 385 | 421 |
| Total Revenue | | 14,903 | 11,982 |
| Operating Expenditure | | | |
| (i) Purchase of Stock-In-Trade | | 12,424 | 9,062 |
| (ii) Transport Expenses | | 1,241 | 1,612 |
| (iii) Changes in Inventory of Finished Goods | 22 | (80) | (43) |
| (iv) Employee Benefit Expenses | 23 | 237 | 266 |
| (v) Finance Costs | 24 | 72 | 86 |
| (vi) Depreciation and Amortization | 3B | 281 | 283 |
| (vii) Other Expenses | 25 | 313 | 300 |
| Total Expense | | 14,488 | 11,566 |
| Profit Before Tax | | 415 | 416 |
| Tax Expense | | | |
| (i) Current Tax | 26 | 97 | 103 |
| (ii) Tax for earlier years | | 5 | (3) |
| (ii) Deferred Tax | 26 | 40 | (2) |
| Profit for the year | | 273 | 318 |
| Other Comprehensive Income | | | |
| (i) Items that will not be reclassified to Profit and Loss | | - | - |
| (ii) Income Tax on items that will not be reclassified to Profit and Loss | | - | - |
| (iii) Items that will be reclassified to Profit and Loss | | - | - |
| (ii) Income Tax on items that will be reclassified to Profit and Loss | | - | - |
| Total Comprehensive Income for the year | | 273 | 318 |
| Earning Per Share (Basic & Diluted) | 27 | 2.73 | 3.18 |

The Notes on accounts form intedral part of the standalone financial staements 1 to 37 (As per our report of even date)

FOR, RIDDHI P.SHETH & CO.
Chartered Accountants
ICAI Firm Reg.No. : 140190W

Sd/-
Riddhi P.Sheth
Proprietor
M.No.159123

Place : Ahmedabad
Date : June 09, 2021

For and on Behalf of the Board Directors

Sd/-
Harshadkumar Patel
Chairman & Managing
Director
(DIN: 00302819)

Sd/-
Jitendra Patel
Whole Time Director
(DIN: 00164229)

Sd/-
Himanshu Thakkar
CFO

Sd/-
Aanal Patel
Company Secretary

Place : Ahmedabad
Date : June 09, 2021

STATEMENT OF STANDALONE CASHFLOW FOR THE YEAR ENDED MARCH 31,2021

(INR in Lacs)

| Particulars | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|---|---|---|
| A Cash from Operating Activities | | |
| Profit Before Tax | 415 | 416 |
| Adjustments for: | | |
| Depreciation | 281 | 283 |
| Finance Cost | 61 | 82 |
| Sundry Balance Written Off | 5 | 12 |
| Provision for Expected Credit Loss | 11 | 15 |
| Interest Income | (19) | (12) |
| Gain on sale of Fixed Assets | (11) | (1) |
| Operating Profit before Changes in Working Capital | 743 | 795 |
| Movements in Working Capital | | |
| Decrease/ (Increase) in Other Financial Non current Assets | 1 | 15 |
| Decrease/ (Increase) in Inventories | (80) | (43) |
| Decrease/ (Increase) in Trade Receivables | (1,170) | 22 |
| Decrease/ (Increase) in Other Current Financial Assets | 44 | 235 |
| Decrease/ (Increase) in Other Current Assets | 110 | (231) |
| (Decrease)/ Increase in Trade Payables | 112 | (94) |
| (Decrease)/ Increase in Other Current Financial liability | (40) | (9) |
| (Decrease)/ Increase in Other Current liability | (112) | 198 |
| Cash Generated from Operations | (392) | 888 |
| Income Tax (Paid)/Received | (23) | (110) |
| Net Cash from Operating Activities | (415) | 778 |
| B Cash Flow from Investment Activities | | |
| Purchase of Property, Plant & Equipment including Capital | | |
| Advances and Capital Work in Progress | (597) | (81) |
| Sale of Property, Plant & Equipment | 20 | 35 |
| Interest Income | 19 | 12 |
| Net Cash from Investment Activities | (558) | (34) |
| C Cash From Financing Activities | | |
| Repayment of Non Current Borrowings | 18 | (184) |
| Proceeds/(repayment) from Current Borrowings | 1,007 | (465) |
| Interest Paid | (61) | (82) |
| Net Cash From Financing Activities | 964 | (731) |
| Net Increase/Decrease in Cash & Cash Equivalents | (9) | 13 |
| Cash & Cash Equivalents at the beginning | 56 | 43 |
| Cash & Cash Equivalents at the end | 47 | 56 |

Note to Cash Flow Statement:

1

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in the Ind AS - 7 Statement of Cash Flow

2 The Company has total sanctioned limit (fund & non-fund based) of 1400 lakhs (P.Y. 1400 lakhs) with banks, out of which 944 lakhs (P.Y. 85 lakhs) has been utilised.

3 Cash And Cash Equivalents comprises of:

| Particulars | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|---|---|---|
| 0 | - | - |
| Balances with Banks-In Current Account | 34 | 49 |
| -In Cash Credit Account | 13 | 8 |
| Cash and Cash Equivalents as per Note 8 | 47 | 56 |
| Cash and Cash Equivalents as per Cash Flow | 47 | 56 |

4 Disclosure as required by IND AS 7

Reconciliation of liabilities arising from financing activities

As at March 2021

| Particulars | Opening Balance | Cashflows | Non Cash Changes | Closing Balance |
|---|-----------------|-----------|------------------|-----------------|
| | | | - | |
| Current Borrowings (including Current maturities of Long term Debt) | 289 | 1007 | - | 1,297 |
| Non Current Borrowings | 347 | 18 | - | 365 |
| | | | - | |

As at March 2020

| Particulars | Opening Balance | Cashflows | Non Cash Changes | Closing Balance |
|---|-----------------|-----------|------------------|-----------------|
| | | | - | |
| Current Borrowings (including Current maturities of Long term Debt) | 754 | (465) | 0 | 289 |
| Non Current Borrowings | 531 | (184) | 0 | 347 |
| | | | - | |

The Notes on Account form Integral part of the Financial Statements 1 to 37 (As per our report of even date)

FOR, RIDDHI P.SHETH & CO.
Chartered Accountants
ICAI Firm Reg.No. : 140190W

Sd/-
Riddhi P.Sheth
Proprietor
M.No.159123

Place : Ahmedabad
Date : June 09, 2021

For and on Behalf of the Board of Directors

Sd/-
Harshadkumar Patel
Chairman & Managing Director
(DIN: 00302819)

Sd/-
Jitendra Patel
Whole Time Director
(DIN: 00164229)

Sd/-
Himanshu Thakkar
CFO
Place : Ahmedabad
Date : June 09, 2021

Sd/-
Aanal Patel
Company Secretary

A-1 ACID LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31,2021

(INR in Lacs)

| Equity Share Capital | Amount |
|------------------------------------|--------------|
| Balance as at April 01,2019 | 1,000 |
| Changes During the year | - |
| Balance as at March 31,2020 | 1,000 |
| Changes During the year | - |
| Balance as at March 31,2021 | 1,000 |

| Other Equity | General Reserve | Securities Premium | Retained Earnings | Total |
|---|-----------------|--------------------|-------------------|--------------|
| Balance as at April 01,2019 | 33 | 1,371 | 1,027 | 2,430 |
| Profit for the year | - | - | 318 | 318 |
| Other Comprehensive Income (Net of Tax) | - | - | - | - |
| Balance as at March 31,2020 | 33 | 1,371 | 1,345 | 2,748 |
| Profit for the year | | | 273 | 273 |
| Other Comprehensive Income (Net of Tax) | | | - | - |
| Balance as at March 31,2021 | 33 | 1,371 | 1,618 | 3,021 |

The Notes on accounts form intedral part of the standalone financial staements 1 to 37 (As per our report of even date)

FOR, RIDDHI P.SHETH & CO.
Chartered Accountants
ICAI Firm Reg.No. : 140190W

For and on Behalf of the Board Directors

Sd/-
Riddhi P.Sheth
Proprietor
M.No.159123

Sd/-
Harshadkumar Patel
Chairman & Managing
Director
(DIN: 00302819)

Sd/-
Jitendra Patel
Whole Time Director
(DIN: 00164229)

Sd/-
Himanshu Thakkar
CFO

Sd/-
Aanal Patel
Company Secretary

Place : Ahmedabad
Date : June 09, 2021

Place : Ahmedabad
Date : June 09, 2021

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2021

1 CORPORATE INFORMATION

A-1 Acid Limited is a Limited company domiciled in India and incorporated under the Provisions of Companies Act, 1956. The company is engaged in the wholesale trading of Acid & Chemicals and also in transportation business. The Company was listed with BSE Limited on SME platform from October 10, 2018.

2 SIGNIFICANT ACCOUNTING POLICIES, KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

(i) Basis of Accounting

a) Statement of Compliance

The Financial Statements have been prepared with all material aspect with Indian Accounting Standards (Ind As) notified under section 133 of the Companies Act, 2013 (the act) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The Financial Statements upto ended 31st March, 2019 were prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) and accounting standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules,2014.

These Financial Statements are the first Financial Statements of the Company under Ind As Ind As 101 - "First Time adoption of Indian Accounting Standards". The date of transition to Ind As is 1st April, 2019. Please refer Note No. 33 for an explanation of the transition from previous GAAP to Ind AS has affected the Company's Financial Positions, Financial Performance and Cash Flow.

b) Basis of Preparation

The financial statements have been prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except where the fair valuation have been carried out in accordance with the requirements of respective IND AS.

The Operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS 1- 'Presentation of Financial Statements' and Schedule III to the Companies Act,2013.

(ii) Use of Estimates

The preparation and presentation of financial statements are in conformity with the Ind As which required management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting year.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

(iii) Key Accounting Estimates and Judgement used in application of Accounting Policies

a. Income Taxes

Significant judgements are involved in determining the provision for Income Taxes, including amount expected to be paid / recovered for uncertain tax positions.

A-1 ACID LIMITED

b. Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The life is based on historical experience with similar assets as well as anticipation of future events, which may impact their life such as changes in technology. (Refer Note 3A)

c. Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on empirical evidence available without undue cost or effort, existing market conditions as well as forward looking estimates at the end of each reporting period.

d. Fair Value Measurement of Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets, where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair values of financial instruments. (Refer Note 30 and 31)

(iii) Property, Plant and Equipment & Depreciation

- a) Property, plant and equipment are stated at historical cost (net of recoverable taxes) less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to getting the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component, if accounted for as a separate asset, is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The gain or loss arising on the disposal or retirement of an property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised as income or expenses in the Statement of Profit and Loss in the year of disposal.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

b) Capital Work-in-Progress

Capital work in progress is stated at cost, comprising direct cost, related incidental expenses and attributable borrowing cost and net of accumulated impairment losses, if any.

c) Transition to Ind AS:

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment. Please refer to note 3A for details of the same.

d) Depreciation methods, estimated useful life and residual value:

Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives based on evaluation. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on assets has been provided on the Straight Line method based on the useful lives prescribed in Schedule II to the Companies Act. In respect of addition and sales of assets during the year, depreciation is provided on pro rata basis. The Company has kept the residual value @5% of original cost.

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The Estimated Useful Lives are mentioned below:

Furniture & Fixtures-10 years
Office Equipments-5 to 15 years
Tankers - 6 years
Storage Tanks- 15 years
Computers- 3 years
Vehicles- 8 years

(iv) Intangible Assets and Amortisation :

Goodwill was recognised on succession of promoter's proprietary business by A-1 Acid Private Limited in 2014. It is tested for impairment at end of each reporting period and not amortised.

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment including intangible assets, recognised as at 1 April 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(v) Impairment of non - financial assets

The Company reviews the carrying amount of its Property, Plant and Equipment, including Capital Work in progress of a "Cash Generating Unit" (CGU) at the end of each reporting period to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit to which the asset belongs.

Recoverable Amount is determined:

- i) In case of individual asset, at higher of the fair value less cost to sell and value in use; and
- ii) In case of cash generating unit (a company of assets that generates identified, independent cash flows), at the higher of the cash generating unit's fair value less cost to sell and the value in use.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

(vi) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1 Financial Assets

i. Initial recognition and measurement:

At initial recognition, the Company measures a financial asset (which are not measured at fair value) through profit or loss at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

ii. Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in following categories:

- i) Financial assets measured at amortised cost;
- ii) Financial assets at fair value through profit or loss (FVTPL) and
- iii) Financial assets at fair value through other comprehensive income (FVOCI)

The Company classifies its financial assets in the above mentioned categories based on:

- a) The Company's business model for managing the financial assets, and
- b) The contractual cash flows characteristics of the financial asset.

i) Financial assets measured at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- a) A financial asset is measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the Contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

b) Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

ii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

iii) Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by collecting both contractual cash flows that gives rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income. In addition, The Company may elect to designate a financial asset, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Trade receivables, Advances, Security Deposits, Cash and Cash Equivalents etc. are classified for measurement at amortised cost.

iii. Derecognition:

The Company derecognizes a financial asset when contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the assets's carrying amount and the sum of the consideration received and receivable is recognized in the Statement of Profit and Loss.

iv. Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 only, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109 i.e. expected credit loss allowance as computed based on historical credit loss experience.

2 Financial Liabilities

i. Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

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ii. Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

- i) Financial liabilities measured at amortised cost.
- ii) Financial liabilities at fair value through profit or loss.

i) Financial liabilities measured at amortised cost

Subsequently, all financial liabilities are measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

ii) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

iii. Derecognition

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged or cancelled or expiry. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(vii) Off-setting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(viii) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

(ix) Inventories

Inventories are valued at the lower of cost (on FIFO) and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including other levies, transit insurance and receiving charges.

(x) Borrowing Cost

Borrowing costs include interest, amortization of ancillary costs incurred in connection with the arrangements of borrowings. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets.

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(xi) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(xii) Statement of Cashflows

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xiii) Revenue Recognition

Sales are accounted on transfer of significant risks and rewards of ownership to the buyer which generally coincides with dispatch of products to customers. are accounted net of VAT/GST, Discounts and Returns as applicable.

(xiv) Dividend

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorized and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, dividend is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(xv) Employee Benefit

Defined Contribution Plan

The Company is not liable for ESIC or Provident Fund contribution as the employee base is less than that prescribed under Employees' Provident Fund and Miscellaneous Provisions Act, for mandatory applicability.

Defined Benefit Plan

The Company is not liable for Gratuity contribution as the employee base is less than that prescribed under The Gratuity Act,1972, for mandatory applicability.

(xvi) Earnings per Share

Basic earnings per share is calculated by dividing net profit after tax for the year attributable to Equity Shareholders of the company by the weighted average number of Equity Shares issued during the year. Diluted earnings per share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

(xvii) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

(xviii) Taxes on Income

a) Current Tax

Current tax is determined on income for the year chargeable to tax in accordance on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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a) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(xix) Segment Reporting

The Company's management, consisting of Managing Director, the chief financial officer and the manager for corporate planning, monitors the operating results of the below business segments separately for the purpose of making decisions about resource allocation and performance assessment and accordingly, based on the principles for determination of segments given in Indian Accounting Standard 108 "Operating Segments" and in the opinion of management the Company is primarily engaged in the wholesale trading of acids and Chemicals. All other activities are ancillary to main business. Hence there is no separate reportable segment.

Further, Company is engaged in business in only Indian Markets, hence no separate geographical segment reportable.

(xx) Lease

Lease payments under an operating lease are recognized as expense in the statement of profit and loss, on a straight-line or other systematic basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases, such increases are recognised in the year in which such liability accrues.

Tankers on Finance lease has been disclosed as Right to Use assets at Present Value of future lease payments in accordance with IND AS 116. Under IGAAP, these tankers were disclosed at total value inclusive of Terminal Value to be paid at end of lease term for purchasing asset. As management is not certain for opting the purchase option at end of lease period, under IND AS 116, the RTU asset has been recognised as mentioned, exclusive of Present Value of terminal Value.

| Particulars | (INR in Lacs) | | | | | | Total |
|--|----------------------|-------------------|--------------|---------------|-----------|------------|--------------|
| | Furniture & Fixtures | Plant & Machinery | Tankers | Storage Tanks | Computers | Vehicles | |
| Gross Carrying Value as on 01-04-2019 | | | | | | | |
| Addition during the period | 9 | 84 | 869 | 60 | 2 | 159 | 1,184 |
| Deduction during the period* | 3 | 51 | 11 | 6 | 1 | 12 | 84 |
| Gross Carrying Value as on 31-03-2020 | 12 | 130 | 841 | 66 | 3 | 171 | 1,224 |
| Addition during the period | - | - | - | - | - | - | - |
| Deduction during the period | 12 | 130 | 841 | 66 | 3 | 171 | 1,224 |
| Gross Carrying Value as on 31-03-2020 | 0 | 2 | 592 | 51 | 2 | 23 | 670 |
| Addition during the period** | - | 2 | 54 | 1 | - | 8 | 65 |
| Gross Carrying Value as on 31-03-2021 | 12 | 130 | 1,379 | 116 | 5 | 186 | 1,828 |
| Accumulated Depreciation as on 01-04-2019 | | | | | | | |
| Addition during the period | 1 | 12 | 177 | - | 1 | 29 | 220 |
| Deduction during the period | - | 1 | 3 | - | - | - | 4 |
| Accumulated Depreciation as on 31-03-2020 | 1 | 11 | 174 | - | 1 | 29 | 216 |
| Addition during the period | 1 | 13 | 164 | 26 | 1 | 29 | 234 |
| Deduction during the period | - | 1 | 0 | - | - | 4 | 5 |
| Accumulated Depreciation as on 31-03-2021 | 2 | 23 | 338 | 26 | 2 | 54 | 445 |
| Net Carrying Value as at 01-04-2019 | 9 | 84 | 869 | 60 | 2 | 159 | 1,184 |
| Net Carrying Value as at 31-03-2020 | 11 | 119 | 667 | 66 | 2 | 143 | 1,008 |
| Net Carrying Value as at 31-03-2021 | 10 | 107 | 1,042 | 91 | 3 | 132 | 1,386 |

* Retirement in tankers of Rs. 39 lacs includes transfer of storage tanks at WDV of Rs. 6 lacs. The same is disclosed as addition to Storage tanks.

** Retirement in tankers of Rs. 54 lacs includes transfer of storage tanks at WDV of Rs. 51 lacs. The same is disclosed as addition to Storage tanks.

In accordance with Ind-AS transitional provisions, the company opted to consider previous GAAP carrying value of property, plant and equipment as deemed cost on transition date owing to exemption given in Para D7AA of Ind AS 101 - First time adoption of Indian Accounting Standards.

However the Tankers on Finance lease has been disclosed as Right of Use assets (Note 3B) at Present Value of future lease payments in accordance with IND AS 116. Under IGAAP, these tankers were disclosed at total value inclusive of Terminal Value to be paid at end of lease term for purchasing asset. As management is not certain for opting the purchase option at end of lease period, under IND AS 116, the RTU asset has been recognised as mentioned, exclusive of Present Value of terminal Value.

Out of total fourteen vehicles, two bikes and eight cars are registered in the name of the Directors

| Particulars | (INR in Lacs) | | | |
|--------------------------------|----------------------------|---|------------------------------------|---|
| | Gross Block as at 01-04-19 | Accumulated Depreciation as at 01-04-19 | Net block as at 01-04-19 per IGAAP | Reclassified to Right of Use as at 01-04-19 as Assets per INDAS |
| Furniture & Fixtures | 39 | 30 | 9 | 9 |
| Office Equipments | 128 | 44 | 84 | 84 |
| Tankers (excl tanker on lease) | 1,694 | 591 | 1,103 | 234 |
| Storage Tanks | 130 | 70 | 60 | 60 |
| Computers | 9 | 7 | 2 | 2 |
| Vehicles | 243 | 84 | 159 | 159 |
| Total | 2,244 | 826 | 1,417 | 234 |
| | | | | 1,183 |

| Note: 3B Right of Use Assets | | (INR in Lacs) | |
|---|---------|--------------------------|---------------------|
| Particulars | Tankers | Accumulated Depreciation | Net Carrying Amount |
| Gross Carrying Value Reclassified from Tankers under | | | |
| IGAAP to Right of Use on 1.4.19 | 234 | - | |
| Impact of INDAS transition | -124 | - | |
| Gross Carrying Value under IND AS as on 01-04-2019 | 110 | - | 110 |
| Addition during the period | | 63 | |
| Deduction during the period | | | |
| Gross Carrying Value as on 31-03-2020 | 110 | 63 | 47 |
| Addition during the period | | 47 | |
| Deduction during the period | | | |
| Gross Carrying Value as on 31-03-2021 | 110 | 110 | 0 |

| Note: 3C Capital Work in Progress | INR in lacs |
|--|-------------|
| Balance as at 01-04-2019 | 27 |
| Addition during the period | 4 |
| Capitalisation during the period | |
| Balance as at 31-03-2020 | 31 |
| Addition during the period | 59 |
| Capitalisation during the period | 81 |
| Balance as at 31-03-2020 | 9 |
| Balance of Capital Work in Progress represents heavy vehicles under fabrication. | |

Note: 3D Goodwill

Goodwill was recognised on succession of promoter's proprietary business by A-1 Acid Private Limited in 2014. It is tested for impairment at end of each reporting period and not amortised.

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment including intangible assets, recognised as at 1 April 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

| Goodwill | INR in lacs |
|---------------------------------|-------------|
| Balance as at 01-04-2019 | 31 |
| Impairment during the year | - |
| Balance as at 31-03-2020 | 31 |
| Impairment during the year | - |
| Balance as at 31-03-2021 | 31 |

| | | (INR in Lacs) | | |
|---|----------------|----------------|----------------|--|
| 4 Other Financial Assets (Non-Current) | As at | As at | As at | |
| | March 31, 2021 | March 31, 2020 | April 01, 2019 | |
| Unsecured, Considered Good | | | | |
| Security Deposits | 239 | 240 | 255 | |
| Bank Deposits having maturity of more than 12 months* | 1 | 1 | 1 | |
| Total | 240 | 241 | 256 | |

*Fixed Deposit pledged as security deposit with Supritendent of Prohibition Department

| | | (INR in Lacs) | | |
|--------------------------------|----------------|----------------|----------------|--|
| 5 Other Non-Current Assets | As at | As at | As at | |
| | March 31, 2021 | March 31, 2020 | April 01, 2019 | |
| Advance Payment of Income Tax | 107 | 305 | 246 | |
| Less: Provision for Income Tax | 103 | 239 | 223 | |
| Total | 4 | 66 | 23 | |

| | | (INR in Lacs) | | |
|----------------|----------------|----------------|----------------|--|
| 6 Inventories | As at | As at | As at | |
| | March 31, 2021 | March 31, 2020 | April 01, 2019 | |
| Finished Goods | 190 | 110 | 67 | |
| Total | 190 | 110 | 67 | |

| | | (INR in Lacs) | | |
|--|----------------|----------------|----------------|--|
| 7 Trade Receivables (Unsecured) | As at | As at | As at | |
| | March 31, 2021 | March 31, 2020 | April 01, 2019 | |
| Considered Good (Others) | 3,627 | 2,442 | 2,462 | |
| Considered Good (Related Parties) | - | 31 | 60 | |
| Which have significant increase in Credit Risk | 123 | 15 | 118 | |
| Sub Total | 3,750 | 2,488 | 2,640 | |
| Less: Allowance for Expected Credit Loss | (123) | (15) | (118) | |
| Total | 3,627 | 2,473 | 2,522 | |

| | | (INR in Lacs) | | |
|---|----------------|----------------|----------------|--|
| 8 Cash and Cash Equivalents | As at | As at | As at | |
| | March 31, 2021 | March 31, 2020 | April 01, 2019 | |
| Cash On Hand | 34 | 49 | 11 | |
| Balances with Banks-In Current Account | 13 | 8 | 32 | |
| -In Cash Credit Account | - | - | - | |
| -In Deposit Accounts | 1 | 1 | 1 | |
| Sub Total | 48 | 57 | 44 | |
| Less: Bank Deposits having maturity of more than 12 months (Refer Note-4) | 1 | 1 | 1 | |
| Total | 47 | 56 | 43 | |

| | | (INR in Lacs) | | |
|------------------------------------|----------------|----------------|----------------|--|
| 9 Other Financial Assets (Current) | As at | As at | As at | |
| | March 31, 2021 | March 31, 2020 | April 01, 2019 | |
| Advance to Contracted Labour | 0 | 24 | 24 | |
| Other Advances | 0 | 5 | 102 | |
| Interest Receivable on Deposits | 2 | 1 | 0 | |
| Loan to Body Corporate | 72 | 89 | - | |
| Total | 74 | 118 | 126 | |

| | | (INR in Lacs) | | |
|--------------------------------|----------------|----------------|----------------|--|
| 10 Current Tax Assets | As at | As at | As at | |
| | March 31, 2021 | March 31, 2020 | April 01, 2019 | |
| Advance Income Tax | - | 106 | 167 | |
| Less: Provision for Income Tax | - | 103 | 131 | |
| Total | - | 3 | 36 | |

| | | As at | As at | As at |
|--------------------------|----------------|----------------|----------------|-------|
| Current Tax Liabilities | March 31, 2021 | March 31, 2020 | April 01, 2019 | |
| Provision for Income Tax | 97 | - | - | |
| Less: Advance Income Tax | 82 | - | - | |
| Total | 16 | - | - | |

| | | (INR in Lacs) | | |
|------------------------------------|----------------|----------------|----------------|--|
| 11 Other Current Assets | As at | As at | As at | |
| | March 31, 2021 | March 31, 2020 | April 01, 2019 | |
| Prepaid Expenses | 23 | 23 | 16 | |
| Balance with Statutory Authorities | 60 | 13 | 94 | |
| Contractual Discount receivable | 268 | 282 | - | |
| Insurance Claim Receivable | - | 24 | - | |
| Advance to Suppliers | 143 | 262 | 489 | |
| Total | 494 | 604 | 599 | |

| | (INR in Lacs) | | |
|---|-------------------------|-------------------------|-------------------------|
| 12 Equity Share Capital | As at March 31, 2021 | As at March 31, 2020 | As at April 01, 2019 |
| Authorised Capital 12000000 (previous year 12000000) Equity Shares of Rs. 10 Each | 1,200 | 1,200 | 1,200 |
| Issued, Subscribed and Paid-up 10000000 (Previous year 10000000) Equity Shares of Rs. 10 Each fully Paid-up | 1,000 | 1,000 | 1,000 |
| Total | 1,000 | 1,000 | 1,000 |

- a. The company has only one class of shares referred to as Equity shares having face value of Rs. 10/-. Each Holder of equity share is entitled to one vote per share and rank equally with regard to dividends .
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all referential amounts. However, no such preferential amounts exist currently.
The distribution will be in proportion to the number of equity shares held by the shareholders
No Shares has been reserved for issue under options or contracts/commitments for the shares/disinvestment

(INR in Lacs)

- b. **Reconciliation of the number of shares outstanding and the amount of share capital is set out below:**

| Particulars | No of Shares | Amount |
|--|--------------|--------|
| Share Capital as at April 01,2019 | 10,000,000 | 1,000 |
| Addition in Share Capital | - | - |
| Share Capital as at March 31,2020 | 10,000,000 | 100 |
| Addition in Share Capital | - | - |
| Share Capital as at March 31,2021 | 10,000,000 | 100 |

- c. **Details of Shareholders holding more than 5% shares in the Company**

| Particulars | As at March 31, 2021 | As at March 31, 2020 | As at April 01, 2019 |
|--|-------------------------|-------------------------|-------------------------|
| Harshadbhai N Patel- % No of Shares | 27.30% 2,730,000 | 27.30% 2,730,000 | 27.30% 2,730,000 |
| Jitendrabhai N Patel-% No of Shares | 27.30% 2,730,000 | 27.30% 2,730,000 | 27.30% 2,730,000 |
| Krishnaben Naranbhai Patel-% No of Shares | 7.70% 769,600.0 | 7.70% 769,600 | 7.70% 769,600 |
| Utkarsh H Patel No of Shares | 7.70% 770,000.0 | 7.70% 770,000 | 7.70% 770,000 |

As per the records of the Company, including its register of shareholders/Members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

| | (INR in Lacs) | | | |
|------------------------------------|--------------------|-----------------------|-------------------|--------------|
| 13 Other Equity | General Reserve | Securities Premium | Retained Earnings | Total |
| Balance as at April 01,2019 | 33 | 1,371 | 1,027 | 2,430 |
| Profit for the year | - | - | 318 | 318 |
| Reduction in Reserves | - | - | - | - |
| Balance as at March 31,2020 | 33 | 1,371 | 1,345 | 2,748 |
| Profit for the year | - | - | 273 | 273 |
| Reduction in Reserves | - | - | - | - |
| Balance as at March 31,2021 | 33 | 1,371 | 1,618 | 3,021 |

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- a. On 5th October 2018, the Company has allotted 30,00,000 Equity Shares of face value Rs. 10/- each fully paid -up at issue price of Rs.60/- per share including a premium of Rs.50/- per share aggregating to Rs.1,500 lacs of Securities Premium balance, through the initial public offer. Against this balance of Premium amount Rs. 129 lacs was adjusted as IPO expense leaving balance of Rs. 1371 lacs
- b. General Reserve is created by transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

| (INR in Lacs) | | | |
|---|-------------------------|-------------------------|-------------------------|
| 14 Borrowings (Non-Current) | As at March 31, 2021 | As at March 31, 2020 | As at April 01, 2019 |
| Secured (At amortised cost) | | | |
| Term Loans | 609 | 552 | 645 |
| Lease Liabilities for Vehicles | | | |
| From Financial Institutions | | - | 40 |
| Sub Total | 609 | 552 | 685 |
| Less: Current Maturities of long term Debt (Refer Note-18) | 244 | 205 | 154 |
| Total | 365 | 347 | 531 |

Security

Vehicle loans and Lease liabilities are secured against hypothecation of vehicles

Interest

Interest Rates on Vehicle loans range between 8.5% to 10.5%

Repayment

Vehicle loans and lease liabilities are repayable in monthly installments. The installments payable within 12 months are reported as current maturity of long term debts in Note 18

| (INR in Lacs) | | | |
|---|-------------------------|-------------------------|-------------------------|
| 15 Deferred Tax Liabilities (Net) | As at March 31, 2021 | As at March 31, 2020 | As at April 01, 2019 |
| Deferred Tax Liabilities | | | |
| Time difference of Depreciation as per Income Tax and Company Law | 87 | 49 | 51 |
| Deferred Tax Assets | | | |
| Provision for doubtful debts | 31 | 33 | 33 |
| Net Deferred Tax Liability | 56 | 16 | 18 |

Movements in Deferred Tax Liabilities

Difference of Depreciation as per Income Tax and Company Law

| | |
|---|-----------|
| As at April 01,2019 | 18 |
| Charge/(credit) to Profit & Loss Account | -2 |
| Charge/(credit) to Other Comprehensive Income | - |
| As at March 31,2020 | 16 |
| Charge/(credit) to Profit & Loss Account | 40 |
| Charge/(credit) to Other Comprehensive Income | |
| As at March 31,2021 | 56 |

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| | | | (INR in Lacs) | | |
|------------------------------|----------------|----------------|----------------|----------------|----------------|
| 16 Borrowings (Current) | As at | As at | As at | As at | As at |
| | March 31, 2021 | March 31, 2020 | March 31, 2020 | March 31, 2020 | April 01, 2019 |
| Working Capital Loans | | | | | |
| From Banks* | 944 | 85 | | | 600 |
| Secured Loans | | | | | |
| From Financial Institutions | 108 | - | | | - |
| Total | 1,052 | 85 | | | 600 |

*Secured by Hypothecation of Book Debt and Stock and all movable Fixed Assets.

| | | | (INR in Lacs) | | |
|--|----------------|----------------|----------------|----------------|----------------|
| 17 Trade Payables | As at | As at | As at | As at | As at |
| | March 31, 2021 | March 31, 2020 | March 31, 2020 | March 31, 2020 | April 01, 2019 |
| Total outstanding dues of | - | - | | | - |
| -Micro, Small and Medium Enterprise | | | | | |
| -Other than Micro, Small and Medium Enterprise | 139 | 27 | | | 118 |
| -Related Parties | - | - | | | 2 |
| Total | 139 | 27 | | | 120 |

The Company has not received any intimation from supplier regarding their status under Micro, Small and Medium enterprises Development Act, 2006 and hence the disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under said Act could not be furnished

| | | | (INR in Lacs) | | |
|---|----------------|----------------|----------------|----------------|----------------|
| 18 Other Financial Liabilities (Current) | As at | As at | As at | As at | As at |
| | March 31, 2021 | March 31, 2020 | March 31, 2020 | March 31, 2020 | April 01, 2019 |
| Current Maturities of Long Term Debt (refer note 14) | 244 | 205 | | | 154 |
| Current Lease Liabilities | - | 39 | | | 48 |
| Total | 244 | 244 | | | 202 |

| | | | (INR in Lacs) | | |
|---|----------------|----------------|----------------|----------------|----------------|
| 19 Other Current Liabilities | As at | As at | As at | As at | As at |
| | March 31, 2021 | March 31, 2020 | March 31, 2020 | March 31, 2020 | April 01, 2019 |
| Statutory Dues | 10 | 23 | | | 9 |
| Advance from Customers | 60 | 119 | | | 113 |
| Provision for expenses & Discount obligations | 139 | 179 | | | 1 |
| Total | 209 | 321 | | | 123 |

| | | (INR in Lacs) | |
|----|-------------------------|---|---|
| 20 | Revenue From Operations | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
| | Sale of Goods* | 13,983 | 10,600 |
| | Sale of Service | 535 | 961 |
| | Total | 14,518 | 11,561 |

* Sale of Goods is net of Discounts given and Rates difference (Rs. 529 lacs and Rs. 4 lacs respectively for year ended on 31.3.2021 & Rs. 585 lacs and Rs 8 lacs respectively for year ended on 31.3.2020)

| Sale of Goods (exclusive of Discount and Rate Difference) Comprise of | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|---|---|---|
| Acetic Acid | 310 | 20 |
| Hydrochloric Acid | 480 | 160 |
| T.G.Urea | 2,466 | 1,030 |
| Concentrated Nitric Acid | 2,134 | 2,914 |
| Nitric Acid | 1,185 | 787 |
| Ethly Acetate | 821 | 541 |
| Sulphuric Acid | 1,354 | 1,209 |
| WNA 61% & 61.5% | 3,811 | 3,744 |
| WNA 68% | 235 | 200 |
| WNA 72% | 511 | 380 |
| WNA 18% to 40% | 122 | 91 |
| Nitro Benzene | 42 | - |
| Methanol | 619 | - |
| Others | 458 | 152 |
| Less: Sales Returns | -32 | -35 |
| Less: Discounts and Rate difference | -533 | -593 |
| Total | 13,983 | 10,600 |

| Sale of Service Comprise of | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|-----------------------------|---|---|
| Transport Receipts | 535 | 961 |

| | | (INR in Lacs) | |
|----|---|---|---|
| 21 | Other Income | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
| | Interest | | |
| | -From Bank | 0 | 12 |
| | -From Others | 19 | 1 |
| | Lifting Income* | 335 | 382 |
| | Commission | 16 | 24 |
| | Gain on Sale of Property, Plant and Equipment | 11 | 1 |
| | Miscellaneous Income | 4 | 1 |
| | Total | 385 | 421 |

* Lifting income is incentive or income earned by the company for taking/lifting excess HCL stock/production from manufacturing units. Such income is booked net of incentive passed on to vendors. This was grouped with Discount received under IGAAP.

| | | (INR in Lacs) | |
|----|---|---|---|
| 22 | Changes in Inventory of Finished Goods | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
| | Finished Goods Inventory at End of the year | 190 | 110 |
| | Finished Goods Inventory at beginning of the year | 110 | 67 |
| | Net (Increase)/Decrease | -80 | -43 |
| | | | (INR in Lacs) |
| 23 | Employee Benefit Expenses | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
| | Salary, wages and Bonus | 69 | 91 |
| | Managerial Remuneration | 156 | 156 |
| | Staff Welfare | 5 | 10 |
| | Director's Insurance Premium | 7 | 9 |
| | Total | 237 | 266 |
| | | | (INR in Lacs) |
| 24 | Finance Cost | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
| | Interest | | |
| | -On Vehicle Loans | 44 | 62 |
| | -On Working Capital Loan | 17 | 20 |
| | -On Statutory Dues | 7 | 0 |
| | Other Borrowing Cost | 4 | 4 |
| | Total | 72 | 86 |
| | | | (INR in Lacs) |
| 25 | Other Expenses | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
| | Administration Expense | | |
| | Duties & Taxes | 14 | 5 |
| | Insurance Expense | 26 | 22 |
| | Water, Fuel & Electricity Expense | 14 | 20 |
| | Stationery & communication expenses | 5 | 12 |
| | Repairs and Maintenance | | |
| | Office | 8 | 9 |
| | Office Equipments | 1 | 0 |
| | Computer | 1 | 1 |
| | Vehicles | 14 | 8 |
| | Auditor's Remuneration | 1 | 1 |
| | Bad debts written off | 21 | |
| | Provision for Bad Debts written back | -21 | |
| | Provision for Bad Debts | 11 | 15 |
| | Director Sitting Fees | 1 | |
| | Legal & Professional Expense | 17 | 18 |
| | Rent Expense | 96 | 96 |
| | Travelling Expense | 1 | 3 |
| | Donation | 0 | 4 |
| | Corporate Social Responsibility Expenditure | 3 | 7 |
| | Penalty | 2 | 2 |
| | Misc. Expenses | 16 | 28 |
| | Selling & Distribution Expense | | |
| | Sales Promotion | 13 | 9 |
| | Distribution expense | 4 | 5 |
| | Sales Commission | 64 | 34 |
| | Advertisement Expenses | 1 | 1 |
| | Total | 313 | 300 |

| | | (INR in Lacs) | |
|--|--|---|---|
| 25.1 | Particulars | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
| | Payment to Statutory Auditors | 1 | 1 |
| | For Audit Fees | 1 | 1 |
| | For Taxation Matters | - | 0 |
| | | | (INR in Lacs) |
| 26 | Tax Expense | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
| | Current Tax Provision | 97 | 103 |
| | Tax for earlier years | 5 | (3) |
| | Deffered Tax (Also Refer Note 15) | 40 | (2) |
| | Total | 142 | 98 |
| Income Tax Expense Reconciliation | | | |
| 27 | Particulars | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
| | Profit Before Tax | 415 | 416 |
| | Tax Expense at applicable Tax rate (25.17%) | 105 | 105 |
| | Permanent Differences | 32 | (2) |
| | Deffered Tax Impact | | (2) |
| | Differences on account of Tax Rates | | - |
| | Adjustment recognised in the current year in relation to prior years expense | 5 | (3) |
| | Total | 142 | 98 |
| | Effective Tax Rate | 34% | 23.46% |
| | | (INR in Lacs) | |
| 27 | Particulars | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
| | Profit Attributable to Equity Shareholders from Continuing Operations (Profit After Tax) | 273 | 318 |
| | Weighted Average shares used for calculating for EPS | 100 | 100 |
| | Face Value of each Share | 10 | 10 |
| | Basic & Diluted Earnings per share | 2.73 | 3.18 |
| | | (INR in Lacs) | |
| 28 | Particulars | As at March 31, 2021 | As at March 31, 2020 |
| | Contingent Liability not provided for claims against the Company not acknowledged as debt | | |
| | For Income Tax matters in Appeal | - | - |
| | For CST Matters in Appeal | - | - |
| | Estimated amount of contracts remaining to be executed on Capital Account. | - | - |

A-1 ACID LIMITED
Related Party Disclosures
29 Key Management Personnel and relatives

| Name of Key Managerial Personnel | Designation |
|---|------------------------------|
| Harshad N. Patel | Chairman & Managing Director |
| Jitendra N. Patel | Whole Time Director |
| Helly H. Patel | Director |
| Krishnaben U. Patel | Director |
| Utkarsh H. Patel | Whole Time Director |
| Himanshu Thakkar | CFO |
| Aanal Patel | Company Secretary |
| Chirag Rajnikant Shah | Independent Director |
| Lajju Hemang Shah | Independent Director |
| Nitinbhai Rikhavbhai Shah (appointed w.e.f 17 February, 2020) | Independent Director |
| Hansaben Bharatbhai Patel | Director |

| Name of Relatives | Relation |
|--------------------------|--|
| Ritaben H Patel | Wife of Chairman |
| Binduben J Patel | Wife of Whole Time Director |
| Jitendra N Patel | Whole time Director |
| Krishnaben N Patel | Mother of Whole Time Director and Chairman |

Entities controlled by Directors/ Relative of Directors

Express Chemical Corporation
 Avkar Chemical Industries
 Numeron Multicuisine Restaurant

Material Transactions with Related Parties

(INR in Lacs)

| Name of Related Party | Remuneration | Director Sitting Fees | Sales Promotion | Rent Paid | Transport receipts | Outstanding Balance as at | | |
|------------------------------|---------------------|------------------------------|------------------------|------------------|---------------------------|----------------------------------|----------------------|-------------------------|
| | | | | | | March 31,2021 | March 31,2020 | at April 01,2019 |
| Harshadkumar N Patel | 66.00 (66.00) | - | - | 30.00 (30.00) | - | - | - | 0.03 - |
| Jitendra N.Patel | 48.12 (48.12) | - | - | 32.09 (36.76) | - | - | - | - |
| Utkarsh H.Patel | 42.12 (42.12) | - | - | - | - | - | - | - |
| Krishnaben N.Patel | - | - | - | 16.91 (16.91) | - | - | - | - |
| Binduben J.Patel | - | - | - | 8.45 (8.45) | - | - | - | - |
| Ritaben H.Patel | - | - | - | 8.45 (8.45) | - | - | - | - |
| Himanshu Thakkar | 7.20 (7.80) | - | - | - | - | - | - | - |
| Aanal Patel | 1.80 (1.80) | - | - | - | - | - | - | - |
| Chirag Rajnikant Shah | - | 0.15 (0.12) | - | - | - | - | - | - |
| Lajju Hemang Shah | - | 0.18 (0.15) | - | - | - | - | - | - |
| Nitinbhai Rikhavbhai Shah | - | 0.09 (0.06) | - | - | - | - | - | - |

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| | | | | | | | | |
|---------------------------------|-----------------|---------------|---------------|-----------------|---------------|----------|----------|----------|
| Hansaben Bharatbhai Patel | - | 0.24 | - | - | - | - | - | - |
| | - | (0.21) | - | - | - | - | - | - |
| Avkar Chemical Industries | - | - | - | - | - | - | 31.05 | 60.04 |
| Numeron Multicuisine Restaurant | - | - | 1.14 | - | - | 0.14 | - | 1.77 |
| | - | - | (8.55) | - | (1.21) | - | - | - |
| Total | 165.24 | 0.66 | 1.14 | 95.90 | - | - | - | - |
| | (165.84) | (0.54) | (8.55) | (100.58) | (1.21) | - | - | - |

Previous Years figures for transactions are mentioned in brackets

30 Fair Value Measurements

Financial Instrument by their category and their fairvalue

(INR in Lacs)

| As at March 31, 2021 | Carrying Value | | | | Fair Value | | | |
|------------------------------------|----------------|----------|----------------|--------------|------------|----------|--------------|--------------|
| | FVTPL | FVOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | | | | | |
| Trade Receivables | - | - | 3,627 | 3,627 | - | - | 3,627 | 3,627 |
| Cash & Cash Equivalents | - | - | 47 | 47 | - | - | 47 | 47 |
| Other Financial Assets | | | | | | | | |
| Non-Current | - | - | 240 | 240 | - | - | 240 | 240 |
| Current | - | - | 74 | 74 | - | - | 74 | 74 |
| Total Financial Assets | - | - | 3,988 | 3,988 | - | - | 3,988 | 3,988 |
| Financial Liabilities | | | | | | | | |
| Borrowings | | | | | | | | |
| Non Current | - | - | 365 | 365 | - | - | 365 | 365 |
| Current | - | - | 1,052 | 1,052 | - | - | 1,052 | 1,052 |
| Other Financial Liabilities | | | | | | | | |
| Current | - | - | 244 | 244 | - | - | 244 | 244 |
| Trade Payables | - | - | 139 | 139 | - | - | 139 | 139 |
| Total Financial Liabilities | - | - | 1,800 | 1,800 | - | - | 1,800 | 1,800 |

| As at March 31, 2020 | Carrying Value | | | | Fair Value | | | |
|------------------------------------|----------------|----------|----------------|--------------|------------|----------|--------------|--------------|
| | FVTPL | FVOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | | | | | |
| Trade Receivables | - | - | 2,473 | 2,473 | - | - | 2,473 | 2,473 |
| Cash & Cash Equivalents | - | - | 56 | 56 | - | - | 56 | 56 |
| Other Financial Assets | | | | | | | | |
| Non-Current | - | - | 241 | 241 | - | - | 241 | 241 |
| Current | - | - | 118 | 118 | - | - | 118 | 118 |
| Total Financial Assets | - | - | 2,888 | 2,888 | - | - | 2,888 | 2,888 |
| Financial Liabilities | | | | | | | | |
| Borrowings | | | | | | | | |
| Non Current | - | - | 347 | 347 | - | - | 347 | 347 |
| Current | - | - | 85 | 85 | - | - | 85 | 85 |
| Other Financial Liabilities | | | | | | | | |
| Current | - | - | 244 | 244 | - | - | 244 | 244 |
| Trade Payables | - | - | 27 | 27 | - | - | 27 | 27 |
| Total Financial Liabilities | - | - | 703 | 703 | - | - | 703 | 703 |

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| As at April 01, 2019 | Carrying Value | | | | Fair Value | | | |
|------------------------------------|----------------|-------|----------------|--------------|------------|---------|--------------|--------------|
| | FVTPL | FVOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | | | | | |
| Trade Receivables | - | - | 2,522 | 2,522 | - | - | 2,522 | 2,522 |
| Cash & Cash Equivalents | - | - | 43 | 43 | - | - | 43 | 43 |
| Other Financial Assets | | | | | | | | |
| Non-Current | - | - | 256 | 256 | - | - | 256 | 256 |
| Current | - | - | 126 | 126 | - | - | 126 | 126 |
| Total Financial Assets | - | - | 2,947 | 2,947 | - | - | 2,947 | 2,947 |
| Financial Liabilities | | | | | | | | |
| Borrowings | | | | | | | | |
| Non Current | - | - | 531 | 531 | - | - | 531 | 531 |
| Current | - | - | 600 | 600 | - | - | 600 | 600 |
| Other Financial Liabilities | | | | | | | | |
| Current | - | - | 202 | 202 | - | - | 202 | 202 |
| Trade Payables | - | - | 120 | 120 | - | - | 120 | 120 |
| Total Financial Liabilities | - | - | 1,453 | 1,453 | - | - | 1,453 | 1,453 |

The above fair value hierarchy explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost for which fair values are disclosed in the financial statements. To provide the indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments in to three levels prescribed is as under:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

There were no transfers between the levels during the year

Valuation Process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

The carrying amount of trade receivable, trade payable, cash and bank balances, short term loans and advances, statutory/receivable, short term borrowing, employee dues are considered to be the same as their fair value due to their short-term nature.

31 Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- I Credit Risk
- II Liquid Risk
- III Market Risk

Risk Management Framework

The Company's risk management is governed by policies and approved by the board of directors. The company has policies for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and market risk.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

I Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company maintain its cash and cash equivalents and bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis. "The maximum exposure to credit risk at the reporting date is primarily from trade receivables. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. "On account of the adoption of Ind AS 109, the company uses ECL model to assess the impairment loss or gain. The company uses a provision matrix to compute the ECL allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors and the company's experience for customers.

The Company reviews trade receivables on periodic basis and makes provision for doubtful debts if collection is doubtful. The Company also calculates the expected credit loss (ECL) for non-collection of receivables. The Company makes additional provision if the ECL amount is higher than the provision made for doubtful debts. In case the ECL amount is lower than the provision made for doubtful debts, the Company retains the provision made for doubtful debts without any adjustment.

The movement in allowances for doubtful accounts comprising provision for both non-collection of receivables and delay in collection is as follows:

| (INR in Lacs) | | |
|--|--------------------|--------------------|
| Movement in allowance for bad and doubtful debts | As at March 31, | As at March 31, |
| Balance at beginning of the year | 133 | 118 |
| Add: Allowance made during the year | 11 | 15 |
| Less: Reversal of allowance made during the year | 21 | - |
| Balance at end of the year | 123 | 133 |

II Liquid Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and liabilities including debt financing plans and maintenance of balance sheet liquidity ratios are considered while reviewing the liquidity position.

i) Exposure to Liquid Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.

| (INR in Lacs) | | | | | | |
|------------------------------------|--------------------|-----------------------|------------|------------|----------|--------------|
| As at March 31, 2021 | Carrying Amount | Contractual Cashflows | | | | |
| | | <1 year | 1-2 Years | 3-5 years | >5 years | Total |
| Financial Liabilities | | | | | | |
| Borrowings | | | | | | |
| Non Current | 365 | - | 253 | 112 | | 365 |
| Current | 1,052 | 1,052 | | | | 1,052 |
| Other Financial Liabilities | - | | | | | - |
| Current | 244 | 244 | | | | 244 |
| Trade Payables | 139 | 139 | | | | 139 |
| Total Financial Liabilities | 1,800 | 1,435 | 253 | 112 | - | 1,800 |

(INR in Lacs)

| As at March 31, 2020 | Carrying Amount | Contractual Cashflows | | | | |
|------------------------------------|-----------------|-----------------------|------------|-----------|----------|------------|
| | | <1 year | 1-2 Years | 3-5 years | >5 years | Total |
| Financial Liabilities | | | | | | |
| Borrowings | | | | | | |
| Non Current | 347 | - | 320 | 27 | | 347 |
| Current | 85 | 85 | | | | 85 |
| Other Financial Liabilities | - | | | | | - |
| Current | 244 | 244 | | | | 244 |
| Trade Payables | 27 | 27 | | | | 27 |
| Total Financial Liabilities | 703 | 354 | 320 | 27 | - | 703 |

(INR in Lacs)

| As at April 1, 2019 | Carrying Amount | Contractual Cashflows | | | | |
|------------------------------------|-----------------|-----------------------|------------|------------|----------|--------------|
| | | <1 year | 1-2 Years | 3-5 years | >5 years | Total |
| Financial Liabilities | | | | | | |
| Borrowings | | | | | | |
| Non Current | 531 | - | 389 | 142 | | 531 |
| Current | 600 | 600 | | | | 600 |
| Other Financial Liabilities | - | | | | | - |
| Current | 202 | 202 | | | | 202 |
| Trade Payables | 120 | 120 | | | | 120 |
| Total Financial Liabilities | 1,453 | 922 | 389 | 142 | - | 1,453 |

III Market Risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three type of risks:

a) Currency Risk

As company has neither incurred any foreign currency transaction during the year nor it has any outstanding receivable or payable in foreign currency, it doesnot assume any currency risk.

b) Interest Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

i) Exposure to interest rate risk

(INR in Lacs)

| Particulars | As at | As at | As at |
|-------------------------------|----------------|----------------|----------------|
| | March 31, 2021 | March 31, 2020 | April 01, 2019 |
| Fixed Rate Instruments | | | |
| Financial Liabilities | | | |
| Non Current | 183 | 347 | 531 |
| Current | 272 | 244 | 154 |
| Total (A) | 455 | 591 | 685 |

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Variable Rate Instruments

Financial Liabilities

| | | | |
|--|--------------|------------|--------------|
| Non Current | 182 | - | |
| Current | 1,024 | 85 | 600 |
| Total (B) | 1,206 | 85 | 600 |
| Total Borrowings (A+B) | 1,661 | 676 | 1,285 |
| % of Borrowings bearing Variable interest rate | 73% | 13% | 47% |

ii) Interest Rate Sensitivity

| Particulars | 2020-2021 | 2019-2020 |
|---|-----------|-----------|
| 50bp increase would decrease the Profit Before Tax by | 6 | 0 |
| 50bp decrease would increase the Profit Before Tax by | 6 | 0 |

iii) Price Risk

As on March 31, 2021, the company has no exposure on security price Risks.

32 Capital management

"The Company's capital management is intended to maximise the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Company; and reduce the cost of capital through the optimization of the capital structure i.e. the debt and equity balance."The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company."

The gearing ratio at the end of the reporting period is as follows: (INR in Lacs)

| Particulars | As at | As at | As at |
|--------------------------|----------------|----------------|----------------|
| | March 31, 2021 | March 31, 2020 | April 01, 2019 |
| Debt | 1,661 | 676 | 1,333 |
| Cash & Bank Balances | (48) | (57) | (44) |
| Net Debt | 1,613 | 619 | 1,289 |
| Equity | 4,021 | 3,748 | 3,430 |
| Net Debt to Equity Ratio | 40% | 17% | 38% |

33 Expenditure on Corporate Social Responsibility activities

- a) Gross amount required to be spent by the Company during the year FY 19-20 was Rs. 10 lacs under section 135 of the Companies Act, 2013. Out of this amount Rs. 3 lacs /- has been utilised in FY 20-21 and Rs. 7 lacs was utilised in FY 19-20. CSR amount required to be spent by the company under section 135 of the Companies Act, 2013 is NIL for FY 20-21.

- b) Details of Expenditure on CSR is as below:

| Particulars | For the year ended March | | | For the year ended March | | |
|---------------------------------------|--------------------------|------------------------|-------|--------------------------|------------------------|-------|
| | Paid in cash | Yet to be Paid in cash | Total | Paid in cash | Yet to be Paid in cash | Total |
| (i) Construction/Acquisition of Asset | - | - | - | | | |
| (ii) purpose other than (i) above | 3 | | 3 | 7 | 2 | 9 |

- 34 As at date of issue of Financial Statements, there are no new standards or amendments which have been notified by the MCA but not yet adopted by the Company. Hence, the disclosure is not applicable.

A-1 ACID LIMITED

35 The novel coronavirus (COVID-19) pandemic is spreading around the globe including India rapidly and causing significant disturbance and slowdown of economic activity. The Company has made detailed assessment of its liquidity position for the next year and the recoverability of the Company's assets such as Trade receivables, Inventories, Advances, etc as at the Balance Sheet date, using reasonably available information, estimates and judgements. The Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company and has determined that none of these balances requires a material adjustment to their carrying value. The Company believes that impact of COVID-19 on the Company's financial statement is not material. The impact of COVID-19 may be different from that estimated at the date of approval of these financial results and the Company will continue to closely monitor the developments.

36 Approval of Standalone Financial Statements

The Standalone financial statements are approved for issue by Audit Committee and Board of Directors at their meetings held on June 9, 2021

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The figures of previous year have been regrouped/reclassified wherever necessary, to conform to the current year's classification.

| | | |
|--|--------------------------------|----------------------------|
| As per our Report of even date attached | FOR, A-1 ACID LIMITED | |
| FOR, RIDDHI P.SHETH & CO. | | |
| Chartered Accountants | Sd/- | Sd/- |
| FRN : 140190W | Harshadkumar Patel | Jitendra Patel |
| | Chairman & Managing | Whole Time Director |
| | Director | |
| | (DIN: 00302819) | (DIN: 00164229) |
| Sd/- | Sd/- | Sd/- |
| Riddhi P.Sheth | Himanshu Thakkar | Aanal Patel |
| Proprietor | CFO | Company Secretary |
| M.No.159123 | | |
| Place : Ahmedabad | Place : Ahmedabad | |
| Date : June 09, 2021 | Date : June 09, 2021 | |
