

Registered Office :

A-1, Corporate House, Shivalik Business Center,
Opp. Kensville Golf Academy, Bh. Rajpath Club,
Off S. G. Highway, Ahmedabad - 380059
CIN NO. : U24119GJ2004PLC044011

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



**A-1 ACID
LIMITED**

Date: 19.08.2019

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

SUB: 15TH ANNUAL REPORT OF A-1 ACID LIMITED

Dear Sir/ Madam,

Please find attached herewith a copy of 15th 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
Managing Director
DIN: 00302819



A-1 ACID LIMITED

**(Formerly known as A-1 ACID
PRIVATE LIMITED)**

15TH ANNUAL REPORT

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



A-1 Acid Ltd. is a 4 decades old firm having diversified commercial activities. It has a proven track record as the growth rate itself is an evidence of this achievement. Since its inception, "A-1 Acid" has single mindedly pursued a policy of providing high quality products and services to its customers spread across the country. Commenced its operation at a low key level way back in 1975, it has seen a growth at an unmatched rate over the years. Company continues to surge ahead with its steady growth in terms of its expanding market network, which translates into increased turnover every succeeding year.



Our Annual turnover is more than 100 Crore at this time and our company is on its glorious way to achieve more success in the coming years.

Company is manned by a dedicated team of young and motivated personnel capable enough to lead the company with a growth oriented vision and make the company capable enough to face the challenges ahead.

A-1 ACID LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS	
Mr. Harshadkumar Naranbhai Patel	Chairman & Managing Director
Mr. Jitendra Naranbhai Patel	Whole-Time Director
Mr. Utkarsh Harshadkumar Patel	Whole-Time Director
Mrs. Hansa Bharatbhai Patel	Director
Mrs. Lajju Hemang Shah	Independent Director
Mr. Chirag Rajnikant Shah	Independent Director
Mr. Urvish Ratilal Patel	Independent Director
Mr. Himanshu Sunil Thakkar	Chief Financial Officer (CFO)
Ms. Aanal Bharatbhai Patel	Company Secretary & Compliance officer
Statutory Auditor	Prakash B. Sheth & Co. (FRN:108069W), Chartered Accountants
Secretarial Auditor	Sejal Shah & Associates (C.P. No. 21683), Company Secretary
Registrar & Share Transfer Agent	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
Corporate Identity No.(CIN)	L24119GJ2004PLC044011
Bankers	Deutsche Bank AG HDFC Bank Ltd State Bank of India ICICI Bank Ltd Kotak Mahindra Bank Ltd
Email Id	info@a1acid.com
Website	www.a1acid.com
Registered Office:	Corporate House No. A-1, Shivalik Business Centre, B/h. Rajpath Club, S. G. Highway, Bodakdev, Ahmedabad-380059

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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-380059

Email Id: info@a1acid.com

CIN: L24119GJ2004PLC044011

Website: www.a1acid.com

Contact No: 07940091111

NOTICE TO MEMBERS

Notice is hereby given that the 15th Annual General Meeting of the Members of A-1 ACID LIMITED (Formerly known as A-1 Acid Private Limited) will be held on Thursday 19th September, 2019 at 11:00 A.M. at the Registered Office of the Company at Corporate House No. A-1, Shivalik Business Centre, B/h. Rajpath Club, S. G. Highway, Bodakdev, Ahmedabad - 380059 to transact the following business:

ORDINARY BUSINESS:

Item No. 1 ADOPTION OF THE FINANCIAL STATEMENT AND REPORT OF THE BOARD OF DIRECTORS AND AUDITOR THEREON:

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

“RESOLVED that the Board’s Report, the Statement of Profit and Loss and the Cash Flow Statement for the Financial Year ended March 31, 2019 and the Balance Sheet as at that date together with the Independent Auditors’ Report thereon be and are hereby considered, approved and adopted.”

Item no. 2 - APPOINTMENT OF MR. UTKARSH HARSHADKUMAR PATEL (DIN: 03055266) AS A DIRECTOR OF THE COMPANY, LIABLE TO RETIRE BY ROTATION:

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, if any, 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.”

ITEM NO: 3: TO APPOINT M/S. RIDDHI P. SHETH & CO., CHARTERED ACCOUNTANTS, AHMEDABAD AS STATUTORY AUDITORS OF THE COMPANY TO HOLD OFFICE FOR A PERIOD OF 5 (FIVE) CONSECUTIVE FINANCIAL YEARS, FROM THE CONCLUSION OF THE 15TH ANNUAL GENERAL MEETING OF THE COMPANY UNTIL THE CONCLUSION OF THE 20TH ANNUAL GENERAL MEETING OF THE COMPANY AND TO AUTHORISE THE BOARD OF DIRECTORS OF THE COMPANY TO FIX THEIR REMUNERATION:

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 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment or enactment thereof, for the time being in force), M/s. Riddhi P. Sheth & Co., Chartered Accountants, Ahmedabad (Firm Registration No.: 140190W) be and are hereby appointed as Statutory Auditor of the Company in place of M/s. Prakash B. Sheth & Co., Chartered Accountants (Firm’s Registration No. 108069W), the retiring statutory auditor, to hold the office from the conclusion of the 15th Annual General Meeting until the conclusion of the 20th Annual General Meeting of the Company to be held in the year 2024 at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as recommendation given by Audit Committee and mutually agreed between the Board of Directors of the Company and the Auditors.”

“RESOLVED FURTHER THAT all the Directors of the Company, be and are hereby severely authorized to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary E Forms with Registrar of Companies.”

Date: 14.08.2019
Place: Ahmedabad

By Order of the Board of Directors,
For, 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 B. Patel
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIM/HER AND THE PROXY NEED NOT BE A MEMBER.

Pursuant to provision of Section 105 of Companies Act, 2013 a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The instrument of Proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.

2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with the specimen signatures of their authorized representatives to attend and vote on their behalf at the Meeting.

3. Information as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and the Memberships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the **Annexure- I** to this Notice.

4. Brief profile of Auditor of M/s. Riddhi P. Sheth & Co. is provided in the **Annexure-II** and Explanatory statement attached at the end of Notice.

5. Shareholders may be aware that the Companies Act, 2013, permits service of the Notice of the Annual General Meeting through electronic mode. In view of this the Company would communicate the important and relevant information, events and send the documents including the intimations, notices, annual reports, financial statements etc. in electronic form, to the email address of the respective Member. To support green initiative of the Government in full measure, Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in the following manner: The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs with their Depository Participant are requested to register their e-mail address at the earliest. Electronic copy of the Annual Report including Notice of the 15th Annual General Meeting of the Company inter-alia indicating the manner of voting along with Attendance Slip, Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant (s) for communication purposes. However, those members who desire to have a physical copy may request for the same to Company or RTA. For members who have not registered their email IDs, physical copies of the Annual Report are being sent in the permitted mode. The Annual Report of the Company will also be made available on the Company's website www.a1acid.com.

6. 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 **Thursday, 12th September, 2019 to Thursday, 19th September, 2019 (both days inclusive)** in connection with the Annual General Meeting.

7. 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.

8. 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.

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

10. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION. Members are requested to bring their Attendance Slip along with copies of their Annual Report at the meeting.

11. Member / proxy holder shall hand over the attendance slip, duly filled in all respect, at the entrance for attending the Meeting along with a valid identity proof such as the PAN card, passport, AADHAR Card or driving license.

12. 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.

13. Route-map to the venue of the Meeting is provided at the end of this Notice.

14. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All documents referred to in the notice and the explanatory statement 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.

15. In case of joint holders attending the meeting, only such joint holder who presides in the order of name will be entitled to vote.

16. 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.

17. Shareholders may also note that the Notice of 15th Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot Paper and the Annual Report for the year 2018-19 will also be available on the website of Company www.a1acid.com for the download.

18. The Company has fixed **Wednesday, 11th September, 2019**, as the cutoff date/entitlement date for identifying the Shareholders for determining the eligibility to vote in the Meeting.

19. Only registered members carrying the attendance slips and the holders of valid proxies registered with the Company will be permitted to attend the meeting.

19. Ms. Dhara Patel, Company Secretary in Practice (M. No: 29198, COP No.:10979) has been appointed as a Scrutinizer for conducting the voting by Ballot at the Meeting in a fair and transparent manner.

20. With reference to the Companies (Management and Administration) Rules, 2014, Companies covered under Chapter XB as per SEBI (ICDR) Regulations, 2009 are exempted from e-voting provisions. Your Company is listed on SME platform of BSE and therefore Company is not providing e-voting facility to its shareholders.

Registered Office:

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

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

Date :14.08.2019
Place : Ahmedabad

Sd/
Aanal B. Patel
Company Secretary

ANNEXURE: I

**Details of Directors seeking Re-appointment at the forthcoming
Annual General Meeting**

**[PURSUANT TO REGULATION 36(3) OF THE SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015]**

Name of Director	Utkarsh Harshadkumar Patel
Date of Birth	18/04/1991
Date of Appointment	30/04/2010
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 favorable contracts.• Implemented new quality assurance initiatives to increase product reliability and customer satisfaction.
Qualifications	Graduation
Directors in other Public Companies	NIL
Other Positions	NIL
Membership of Committees in other unlisted Public Companies	NIL
Inter Relationship	Mr. Utkarsh Harshadkumar Patel is son of Harshadkumar Patel (Chairman & Managing Director)
Shares held in the Company	7,70,000 Shares

ANNEXURE: II

Brief Profile of Riddhi P. Sheth & Co.

Sr. No.	Particulars	Details
1.	Name of the CA Firm	Riddhi P. Sheth & Co.
2.	Constitution	Proprietor Firm
3.	Address of Office	9 Shyam Shivam bungalows, Nr. Shikhar flat's,100ft Ring Road, Satellite, Ahmedabad-380051
4.	Contact Number	9727718856
5.	Email Id	riddhisheth.123@gmail.com
6.	FRN No.	140190W
7.	Experience	She holds COP since 24/12/2014. She handles tax audits of Proprietorship & firms. She is a Joint Statutory Auditor of PSP Projects Limited which is listed on BSE & NSE main strip. She also handles income tax work of various firms.
8.	Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed	Outgoing Statutory Auditor is not eligible for reappointment due to the provisions of Rotation of Auditor prescribed in the Companies Act.
9.	Material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	No Material change in fee compared to paid to retiring auditor.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT TO THE NOTICE:

Item No: 3

M/s. Prakash B. Sheth & Co., Chartered Accountants has been the Statutory Auditors of A-1 Acid Limited since the incorporation of the company.

A-1 Acid Limited changed its status from Private to Public Limited company on 29th January, 2018 and subsequently got listed on BSE SME on 10th October, 2018 and the section 139(2) is applicable to the company and M/s. Prakash B. Sheth & Co., Chartered Accountants has completed consecutive five years as the Statutory auditor of the company since its appointment and not eligible for reappointment due to the provisions of Rotation of Auditor prescribed in the Companies Act.

Accordingly, as per the requirements of the Act and based on the recommendations of the Audit Committee, the board of directors of the company has in its meeting held on August 14, 2019 proposed to appoint M/s. Riddhi P. Sheth & Co., Chartered Accountants, Ahmedabad (Firm Registration No.: 140190W), as the Statutory Auditors of the company for a period of five years commencing from the conclusion of 15th AGM till the conclusion of the 20th AGM to be held in the year 2024 subject to the approval of members. There is no material change in fee compared to paid to retiring auditor.

Registered Office:

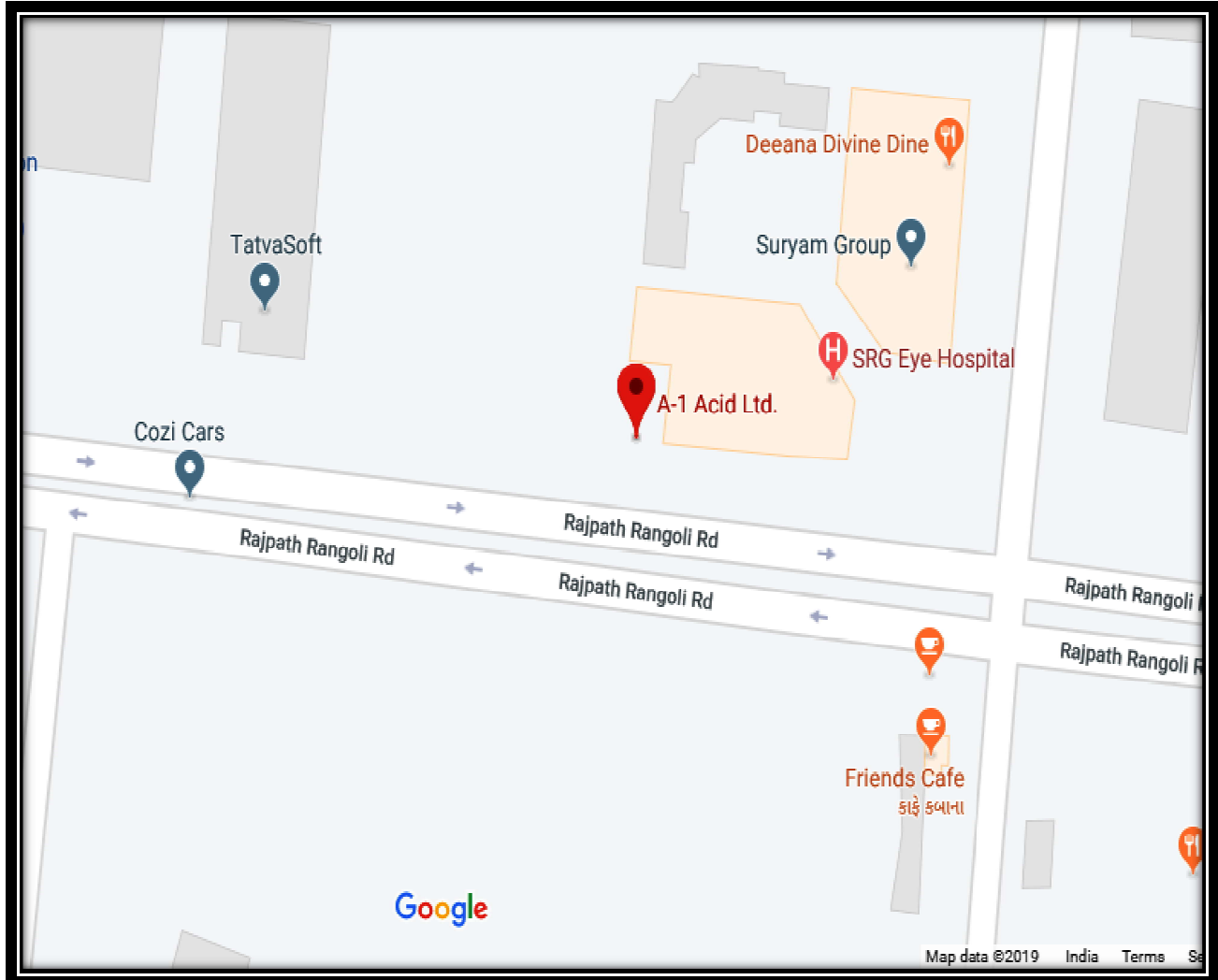
Corporate House No. A-1, Shivalik Business
Centre, B/h. Rajpath Club, S. G. Highway,
Bodakdev, Ahmedabad - 380059

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

Date :
14.08.2019
Place : Ahmedabad

Sd/-
Aanal B. Patel
Company Secretary

Route Map to the AGM Venue



DIRECTORS' REPORT

To,
The Members,

The Directors present the 15th Annual report of the Company along with the audited financial statements for the financial year ended March 31, 2019.

FINANCIAL PERFORMANCE:

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

(Rs. In Lakhs)

Particulars	March 31, 2019	March 31, 2018
Financial Performance		
Income From Operation (Gross)	14098.95	10009.88
Other Income	913.34	1154.07
Total Income	15012.30	11163.95
Depreciation & amortization	176.32	177.29
Provision of Tax	131.18	114.97
Deferred Tax	12.26	70.12
Net Profit/Loss	418.28	192.19
Share Capital Details		(Amt. in Rs.)
Authorized Equity Share Capital	12,00,00,000	12,00,00,000
Paid up Equity Share Capital	10,00,00,000	7,00,00,000

There are no material changes and commitment affecting the financial position of the Company which has occurred between 1st April, 2018 and date of this report.

DIVIDEND AND RESERVE:

In order to conserve the reserve, your directors do not recommend any dividend for the financial year ended, 31st March, 2019.

BRIEF DESCRIPTION OF THE COMPANYS WORKING DURING THE YEAR:

Your Company total income for the year FY 2018-19 is Rs. 15012.29 Lakhs as compared to last year's income of Rs. 11163.95 Lakh. However, the profit after tax increased from Rs. 192.19 Lakhs to Rs. 418.28 Lakhs. Your Company expects to achieve even better performance during the next financial year.

INITIAL PUBLIC OFFERING:

During the year under review, your Company come up with an Initial public issue of 30,00,000 equity shares of Rs.10/- each at a premium of Rs.50/- per share aggregating to the total Rs. 18,00,00,000/- Subsequently the shares of the Company have been listed on SME platform of BSE SME on 10th October,2018.

SHARE CAPITAL:

During the year under review, the Company has increased its paid up share capital from Rs. 7,00,00,000 (Rupees Seven Crores only) to Rs. 10,00,00,000 (Rupees Ten Crores only) by way of Initial Public Offer.

CONVERSION INTO PUBLIC LIMITED COMPANY:

Your company converted from private limited company to Public limited Company during the year under review. The Company had received a fresh certificate of Incorporation on 29th January, 2018 consequent upon conversion into public limited company.

LISTING OF SHARES OF THE COMPANY:

The Company was unlisted public company and listed during the year under review on BSE SME platform on 10th October, 2018.

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.

CHANGE IN THE NATURE OF BUSINESS:

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

DEPOSITS:

Your Company has not accepted any deposits within the meaning of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS:

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013 during the financial year 2018-19.

INTERNAL CONTROLS 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.

DETAILS OF HOLDING, SUBSIDIARY AND ASSOCIATES:

The Company has no holding, subsidiary and associate Company

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:

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 labor 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.

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 to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient equipment's with latest technologies.

FOREIGN EXCHANGE:

There are no foreign exchange earnings and out-go during the financial year.

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 to offer himself for re-appointment.

Ms. Aanal Bharatbhai Patel appointed as Company Secretary with effect from 30th June, 2018.

During the year under review there is no change in the Director of the company.

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.

NUMBER OF BOARD MEETINGS AND ATTENDANCE:

Board Meetings During the year 2018-19, the Board of Directors met Eighteen (18) times, viz. 26.04.2018, 15.05.2018, 31.05.2018, 01.06.2018, 04.06.2018, 30.06.2018, 05.10.2018, 01.11.2018, 29.12.2018, 31.12.2018, 09.02.2019, 26.02.2019, 28.02.2019, 05.03.2019, 19.03.2019, 22.03.2019, 26.03.2019 and 27.03.2019. The interval between any two meetings was well within the maximum allowed gap of 120 days.

Name of Director	Category	No of Board Meetings Held Entitled Attend & to	No of Board Meetings Attended
Harshadkumar Naranbhai Patel	Chairman & Managing Director	18	18
Jitendra Naranbhai Patel	Whole-Time Director	18	16
Utkarsh Harshadkumar Patel	Whole-Time Director	18	18
Urvish Ratilal Patel	Independent Director	18	1
Chirag Rajnikant Shah	Independent Director	18	1
Lajju Hemang Shah	Independent Director	18	1
Hansa Bharatbhai Patel	Director	18	3

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 III** and also available on the website of the company 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 2018-2019.

REVIEW OF AUDITORS REPORT AND SECRETARIAL AUDITORS REPORT:

The auditor's report and secretarial auditors report does not contain any qualifications, reservations or adverse remarks.

SECRETARIAL AUDIT REPORT:

The Board, 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 2018-19. A Secretarial Audit Report for the Financial Year 2018-19 is annexed herewith as **Annexure-IV** in Form MR-3. There are no adverse observations in the Secretarial Audit Report which call for explanation.

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.

STATUTORY AUDITORS:

The Audit committee and Board has recommended the appointment of M/s. Riddhi P. Sheth & Co. (FRN No. 140190W), Chartered Accountants, Ahmedabad as the statutory auditors of the Company in place of M/s. Prakash B. Sheth & Co. (FRN: 108069W) who is not eligible for reappointment due to the provisions of Rotation of Auditor prescribed in the Companies Act, were appointed as the statutory auditors of the Company to hold office for a period of five consecutive years from the conclusion of 15th Annual General Meeting until the conclusion of 20th Annual General Meeting.

MANAGEMENT DISCUSSION AND ANALYSIS:

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 V**.

DEMATERIALIZATION 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 and sitting fees paid to Directors during the year 2018-19 is given.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Act, 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.

MEETING OF INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors met on 9th February, 2019 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 31st March, 2019.

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.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the year under the review 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 which may have a

potential conflict with the interest of the Company at large. Your Directors draw your attention to related parties' transactions entered as per section 188 of the companies during the year as are detailed in **Annexure-VI** attached to this report.

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.

The Company follows a policy on directors' appointment and remuneration and the same are available in the website of the Company **www.a1acid.com** and salient points are as follows:

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**.

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-VII**.

DISQUALIFICATIONS OF DIRECTORS:

During the financial year 2018-2019 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.

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 three (3) Committees viz., Audit Committee, Remuneration & Nomination Committee and Stakeholder Relationship Committee to 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 2018-19, Four meeting of audit committee held on 31st May,2018, 24th September,2018, 1st November,2018 and 9th February,2019.

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	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

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 2018-19, one meeting of Nomination and Remuneration Committee held on 1st November, 2018.

The Composition of Nomination and Remuneration 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	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 2018-19, One meeting of Stakeholder Relationship Committee were held on 16th January,2019.

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	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

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.

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.

CORPORATE SOCIAL RESPONSIBILITY:

The provision of section 135 of Companies Act, 2013 for implementing Corporate Social Responsibility Policy, constitute committee and expenditure thereof is not applicable to the company since the company is not meeting with the any of criteria of net-worth, turnover or

net profits mentioned therein.

Company has crossed the Corporate Social Responsibility Criteria in the financial year 2018-19 and therefore, Company will need to do CSR Expenditure in the coming year.

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 www.a1acid.com.

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 2019-20 has been paid.

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

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your 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: 14.08.2019
Place: AHMEDABAD

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

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

**Annexure III to Boards Report
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on
31st March, 2019**

[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 Contact No. : +91 79 400 911 11 E-mail Id: info@a1acid.com Website: www.a1acid.com
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	95%
2	Transport via pipeline	NIC-49300	5%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	0	0.00	0	0.00	383888	0.00	383888	3.84	3.84
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	0	0.00	0	0.00	1321743	0.00	1321743	13.22	13.22
c.	QUALIFIED FOREIGN INVESTOR	0	0.00	0	0.00	0	0.00	0	0.00	0.00
d.	ANY OTHER									
	CLEARING MEMBERS	0	0.00	0	0.00	22000	0.00	22000	0.22	0.22
	HINDU UNDIVIDED FAMILIES	0	0.00	0	0.00	252000	0.00	252000	2.52	2.52
	Others	0	0.00	0	0.00	274000	0.00	274000	2.74	2.74
	SUB - TOTAL (B)(2)	0	0.00	0	0.00	3000000	0.00	3000000	30.00	30.00
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	0	0.00	0	0.00	3000000	0.00	3000000	30.00	30.00
	TOTAL (A)+(B)	0.00	7000000	7000000	100.00	10000000	0.00	10000000	100.00	-
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
	Promoter and Promoter Group	0.00	7000000	7000000	100.00	7000000	0.00	7000000	70.00	(30)
	Public	0	0.00	0	0.00	3000000	0.00	3000000	30.00	30
	TOTAL CUSTODIAN (C)	0	0.00	0	0.00	0	0.00	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	0.00	7000000	7000000	100.00	10000000	0.00	10000000	100.00	-

II. SHAREHOLDING OF PROMOTER AND PROMOTER GROUP:

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		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	
1	Jitendra Naranbhai Patel	2730000	39.00	0.00	2730000	27.30	0	-11.70
2	Harshadkumar Naranbhai Patel	2730000	39.00	0.00	2730000	27.30	0	-11.70
3	Utkarsh H Patel	770000	11.00	0.00	770000	7.70	0	-3.30
4	Krishnaben Naranbhai Patel	769600	10.994	0.00	769600	7.70	0	-3.29
5	Ritaben Harshadbhai Patel	100	0.001	0	100	0.001	0	0.00
6	Patel Binduben Jitendra	100	0.001	0	100	0.001	0	0.00
7	Helly Harshadkumar Patel	100	0.001	0	100	0.001	0	0.00
8	Keta Jitendra Patel	100	0.001	0	100	0.001	0	0.00

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	100	--	--
	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 change in Promoters and Promoter Group Shareholding during the financial year 2018-19.			
	At the end of the year	7000000	70	--	--

#CHANGE IN PROMOTER'S SHAREHOLDING

		SHAREHOLDING AT THE BEGINNING OF THE YEAR		TRANSACTIONS DURING THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
SL NO	NAME OF THE SHARE HOLDER	NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1	JITENDRA NARANBHAI PATEL	2730000	39.00				
	At the end of the Year					2730000	27.3
2	HARSHADKUMAR NARANBHAI PATEL	2730000	39.00				
	At the end of the Year					2730000	27.3
3	UTKARSH H PATEL	770000	11.00				
	At the end of the Year					770000	7.7
4	KRISHNABEN NARANBHAI PATEL	769600	10.994				
	At the end of the Year					769600	7.696
5	RITABEN HARSHADBHAI PATEL	100	0.001				
	At the end of the Year					100	0.001
6	BINDUBEN JITENDRA PATEL	100	0.001				
	At the end of the Year					100	0.001
7	HELLY HARSHADKUMAR PATEL	100	0.001				
	At the end of the Year					100	0.001
8	KETA JITENDRA PATEL	100	0.001				
	At the end of the Year					100	0.001

#Note: The change in % of total shares of the Company between 01-04-2018 to 31-03-2019 is on account of issue of Equity Shares through an Initial Public Offer.

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

		Share-holding at the beginning of the year		Cumulative Shareholding during the year	
SI No	Name of the Share holder	No of shares	% of Total shares of the company	No of shares	% of total shares of the company
1	BEELINE BROKING LIMITED				
	At the beginning of the year	0	0		
	12-Oct-2018	388000	3.88	388000	3.88
	Purchase 02-Nov-2018	86000	0.86	474000	4.74
	Purchase 07-Dec-2018	2000	0.02	476000	4.76
	Sale 14-Dec-2018	-2000	0.02	474000	4.74
	Sale 21-Dec-2018	-220000	2.2	254000	2.54
	Sale 18-Jan-2019	-68000	0.68	186000	1.86
	Purchase 01-Feb-2019	18000	0.18	204000	2.04
	Sale 15-Feb-2019	-8000	0.08	196000	1.96
	Sale 22-Feb-2019	-18000	0.18	178000	1.78
	Purchase 08-Mar-2019	4000	0.04	182000	1.82
	Sale 22-Mar-2019	-86000	0.86	96000	0.96
	Sale 29-Mar-2019	-56000	0.56	40000	0.4
	At the end of the Year	40000	0.4	40000	0.4
	HAVING SAME PAN				
1	BEELINE BROKING LIMITED				
	At the beginning of the year	0	0	0	0
	12-Oct-2018	0	0		
	Purchase 14-Dec-2018	10000	0.1	10000	0.1
	Sale 21-Dec-2018	-10000	0.1	0	0
	Purchase 28-Dec-2018	64000	0.64	64000	0.64
	Sale 04-Jan-2019	-64000	0.64	0	0
	Purchase 18-Jan-2019	4000	0.04	4000	0.04
	Purchase 25-Jan-2019	14000	0.14	18000	0.18
	Sale 01-Feb-2019	-18000	0.18	0	0
	Purchase 08-Feb-2019	22000	0.22	22000	0.22
	Sale 15-Feb-2019	-22000	0.22	0	0
	Purchase 22-Mar-2019	4000	0.04	4000	0.04
	Purchase 29-Mar-2019	14000	0.14	18000	0.18
	At the end of the Year	18000	0.18	18000	0.18
2	ARYA FIN-TRADE SERVICES INDIA				
	At the beginning of the year	0			
	12-Oct-2018	192000	1.92	192000	1.92
	Purchase 19-Oct-2018	336000	3.36	528000	5.28

	Sale28-Dec-2018	-224000	2.24	304000	3.04
	Sale04-Jan-2019	-40000	0.4	264000	2.64
	Sale08-Feb-2019	-264000	2.64	0	0
	At the end of the Year	0	0	0	0
	HAVING SAME PAN				
2	ARYA FIN-TRADE SERVICES INDIA				
	At the beginning of the year	0	0		
	12-Oct-2018	0	0	0	0
	Purchase 22-Feb-2019	288000	2.88	288000	2.88
	Sale15-Mar-2019	-98000	0.98	190000	1.9
	Sale22-Mar-2019	-86000	0.86	104000	1.04
	At the end of the Year	104000	1.04	104000	1.04
3	GUINNESS SECURITIES LIMITED				
	At the beginning of the year	0	0		
	12-Oct-2018	152000	1.52	152000	1.52
	Purchase 19-Oct-2018	64000	0.64	216000	2.16
	Purchase 26-Oct-2018	92000	0.92	308000	3.08
	Purchase 02-Nov-2018	36000	0.36	344000	3.44
	Sale09-Nov-2018	-208000	2.08	136000	1.36
	Purchase 16-Nov-2018	2000	0.02	138000	1.38
	Sale21-Dec-2018	-136000	1.36	2000	0.02
	At the end of the Year	2000	0.02	2000	0.02
	HAVING SAME PAN				
3	GUINNESS SECURITIES LIMITED				
	At the beginning of the year	0	0		
	12-Oct-2018	0	0	0	0
	Purchase 19-Oct-2018	8000	0.08	8000	0.08
	Purchase 26-Oct-2018	52000	0.52	60000	0.6
	Purchase 02-Nov-2018	38000	0.38	98000	0.98
	Sale09-Nov-2018	-22000	0.22	76000	0.76
	Purchase 16-Nov-2018	4000	0.04	80000	0.8
	At the end of the Year	80000	0.8	80000	0.8
4	AIRANINSTOCKS PRIVATE LIMITED				
	At the beginning of the year	0	0		
	12-Oct-2018	92000	0.92	92000	0.92
	Sale19-Oct-2018	-92000	0.92	0	0
	Purchase 22-Feb-2019	20000	0.2	20000	0.2
	Sale01-Mar-2019	-20000	0.2	0	0
	At the end of the Year	0	0	0	0
	HAVING SAME PAN				
4	AIRAN FINSTOCKS PRIVATE LIMITED				
	At the beginning of the year	0	0		
	12-Oct-2018	40000	0.4	40000	0.4
	Purchase 16-Nov-2018	66000	0.66	106000	1.06
	Sale22-Mar-2019	-40000	0.4	66000	0.66
	At the end of the Year	66000	0.66	66000	0.66

5	BHAGWATPRASAD MANILAL PATEL				
	At the beginning of the year	0	0		
	12-Oct-2018	74000	0.74	74000	0.74
	Sale19-Oct-2018	-74000	0.74	0	0
	At the end of the Year	0	0	0	0
6	SUNIL KUMAR GUPTA				
	At the beginning of the year	0	0		
	12-Oct-2018	74000	0.74	74000	0.74
	Sale19-Oct-2018	-74000	0.74	0	0
	At the end of the Year	0	0	0	0
7	VIRAL MUKUNDBHAI SHAH				
	At the beginning of the year	0	0		
	12-Oct-2018	48000	0.48	48000	0.48
	Purchase 28-Dec-2018	18000	0.18	66000	0.66
	Purchase 31-Dec-2018	20000	0.2	86000	0.86
	Purchase 04-Jan-2019	20000	0.2	106000	1.06
	Sale15-Mar-2019	-20000	0.2	86000	0.86
	Sale22-Mar-2019	-32000	0.32	54000	0.54
	At the end of the Year	54000	0.54	54000	0.54
8	JHAVERI SECURITIES LIMITED				
	At the beginning of the year	0	0		
	12-Oct-2018	48000	0.48	48000	0.48
	Sale19-Oct-2018	-48000	0.48	0	0
	Purchase 02-Nov-2018	16000	0.16	16000	0.16
	Sale09-Nov-2018	-16000	0.16	0	0
	At the end of the Year	0	0	0	0
	HAVING SAME PAN				
8	JHAVERI SECURITIES LIMITED				
	At the beginning of the year	0	0		
	12-Oct-2018	8000	0.08	8000	0.08
	Sale19-Oct-2018	-8000	0.08	0	0
	Purchase 22-Mar-2019	2000	0.02	2000	0.02
	Sale29-Mar-2019	-2000	0.02	0	0
	At the end of the Year	0	0	0	0
9	VIJAY KUMAR BHANDARI				
	At the beginning of the year	0	0		
	12-Oct-2018	46000	0.46	46000	0.46
	Purchase 19-Oct-2018	50000	0.5	96000	0.96
	Purchase 04-Jan-2019	40000	0.4	136000	1.36
	At the end of the Year	136000	1.36	136000	1.36

10	VISMAY SHAH				
	At the beginning of the year	0	0		
	12-Oct-2018	44000	0.44	44000	0.44
	Sale26-Oct-2018	-44000	0.44	0	0
	At the end of the Year	0	0	0	0
	HAVING SAME PAN				
10	SHAH VISMAY AMITKUMAR				
	At the beginning of the year	0	0		
	12-Oct-2018	0	0	0	0
	Purchase 02-Nov-2018	48000	0.48	48000	0.48
	At the end of the Year	48000	0.48	48000	0.48
	NEW TOP 10 AS ON (30-Mar-2019)				
11	SWASTIKA INVESTMART LIMITED				
	At the beginning of the year	0	0		
	12-Oct-2018	0	0	0	0
	Purchase 01-Mar-2019	10000	0.1	10000	0.1
	Sale08-Mar-2019	-10000	0.1	0	0
	Purchase 15-Mar-2019	152000	1.52	152000	1.52
	Purchase 22-Mar-2019	276000	2.76	428000	4.28
	Purchase 29-Mar-2019	4000	0.04	432000	4.32
	At the end of the Year	432000	4.32	432000	4.32
	HAVING SAME PAN				
11	SWASTIKA INVESTMART LTD.				
	At the beginning of the year	0	0		
	12-Oct-2018	40000	0.4	40000	0.4
	Sale19-Oct-2018	-40000	0.4	0	0
	Purchase 22-Feb-2019	4000	0.04	4000	0.04
	Sale01-Mar-2019	-4000	0.04	0	0
	At the end of the Year	0	0	0	0
	HAVING SAME PAN				
11	SWASTIKA INVESTMART LIMITED				
	At the beginning of the year	0	0		
	12-Oct-2018	6000	0.06	6000	0.06
	Sale19-Oct-2018	-6000	0.06	0	0
	At the end of the Year	0	0	0	0
12	WAYS VINIMAY PRIVATE LIMITED				
	At the beginning of the year	0	0		
	12-Oct-2018	0	0	0	0
	Purchase 28-Dec-2018	136000	1.36	136000	1.36
	At the end of the Year	136000	1.36	136000	1.36
13	NAND KISHORE JAIN				
	At the beginning of the year	0	0		
	12-Oct-2018	36000	0.36	36000	0.36
	Purchase 16-Nov-2018	38000	0.38	74000	0.74
	Purchase 29-Mar-2019	46000	0.46	120000	1.2

	At the end of the Year	120000	1.2	120000	1.2
14	BABITABEN PATEL				
	At the beginning of the year	0	0		
	12-Oct-2018	40000	0.4	40000	0.4
	Purchase 22-Mar-2019	66000	0.66	106000	1.06
	At the end of the Year	106000	1.06	106000	1.06
15	ALKA VIJAYKUMAR BHANDARI				
	At the beginning of the year	0	0		
	12-Oct-2018	44000	0.44	44000	0.44
	Purchase 19-Oct-2018	50000	0.5	94000	0.94
	Purchase 02-Nov-2018	4000	0.04	98000	0.98
	At the end of the Year	98000	0.98	98000	0.98
16	HARSADBHAI MANILAL PATEL				
	At the beginning of the year	0	0		
	12-Oct-2018	6000	0.06	6000	0.06
	Purchase 19-Oct-2018	8000	0.08	14000	0.14
	Purchase 21-Dec-2018	10000	0.1	24000	0.24
	Purchase 28-Dec-2018	8000	0.08	32000	0.32
	Purchase 04-Jan-2019	14000	0.14	46000	0.46
	Purchase 11-Jan-2019	12000	0.12	58000	0.58
	At the end of the Year	58000	0.58	58000	0.58

V.) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

SI. NO.	NAME	DATE	SHAREHOLDING		Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.19)	
			No. of Shares at the beginning (01.04.18) / end of the year (31.03.19)	% of total shares of the Company			No. of Share	% of total shares of the Company
1	Jitendra Naranbhai Patel	01.04.2018	2730000	39.00				
		31.03.2019					2730000	27.30
2	Harshadkumar Naranbhai Patel	01.04.2018	2730000	39.00				
		31.03.2019					2730000	27.3
3	Utkarsh Harshadkumar Patel	01.04.2018	770000	11.00				
		31.03.2019					770000	7.7

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	164,297,153	595,495	-	164,892,648
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	164,297,153	595,495	-	164,892,648
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	17,153,458	595,495	-	17,748,953
Net Change	17,153,458	595,495	-	(17,748,953)
Indebtedness at the end of the financial year				

i) Principal Amount	147,143,695	-	-	147,143,695
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	147,143,695	-	-	147,143,695

VI.REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER (Amount in Rs.)

Sl. No	Particulars of Remuneration	NAME			Total Amount
		HARSHADKUM AR N.PATEL	JITENDRA N. PATEL	UTKARSH H. PATEL	
		MD	WTD	WTD	
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				
	(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)		1,56,36,000		1,56,36,000
	Ceiling as per the Act i. e. 10% of the net profits calculated under Section 198 of the Companies Act, 2013				

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

SI. NO.	PARTICULARS OF REMUNERATION	FEE FOR ATTENDING BOARD / COMMITTEE MEETINGS	COMMISSION	OTHERS, PLEASE SPECIFY	TOTAL AMOUNT
1	Independent Directors				
	Lajju Hemang Shah	6000	Nil	Nil	6000
	Chirag Rajnikant Shah	6000	Nil	Nil	6000
	Urvish Ratilal Patel	6000	Nil	Nil	6000
	Total (1)	18000	Nil	Nil	18000
2	Other Non-Executive Directors				
	Hansa Bharatbhai Patel	6000	Nil	Nil	6000
	Total (B)=(1+2)	24000	Nil	Nil	24000
	Total Managerial Remuneration	24000	Nil	Nil	24000
	Overall Ceiling as Per the Act	-----N.A-----			

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

SR. NO	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL		TOTAL AMOUNT
		CFO	COMPANY SECRETARY	
		Himanshu Thakkar	Sunil Aanal Bharatbhai Patel	
	Salary	6,90,000	1,42,500	8,32,500
	Total (B)	6,90,000	1,42,500	8,32,500

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2019.

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: 14.08.2019
Place: AHMEDABAD

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

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

ANNEXURE -IV
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

[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's (Formerly known as A-1 Acid Private Limited) 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,2019 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) ("the Company") for the financial year ended on 31st March,2019, 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 (Share Based Employee Benefits) 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 Exchange (BSE).

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 BSE SME by initial public offer of 30,00,000 equity shares of face value of Rs. 10.00 each at a price of Rs. 60 per equity share (including a share premium of Rs 50.00 per equity share).

Place: Ahmedabad
Date: 14.08.2019

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.'

1. 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.
2. 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.
3. 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.
4. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company.
5. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
6. 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.
7. 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: 14.08.2019

For, Sejal Shah & Associates,

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

ANNEXURE-V

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

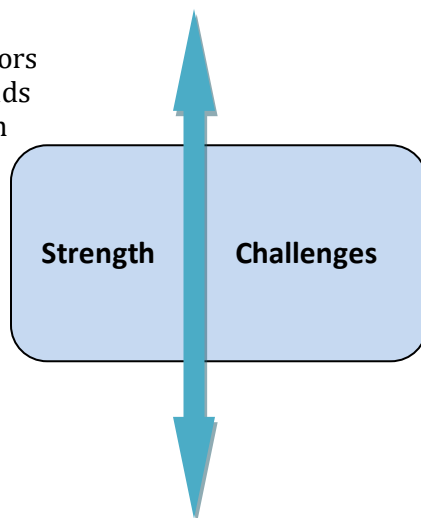
- **COMPANY OVERVIEW:** Our Company is engaged in the business of trading of high quality Industrial Acid and Chemicals. We offer a wide range of chemical products which finds variety of applications in the Industrial sector like Chemical, Textile, Steel, Aluminium, Pesticides, Fertilizers, Intermediates, Defence, Metals and Petro Refineries. We also provide transportation facilities to our customers through our owned fleet of tankers.

Our Company was originally incorporated as A-1 Acid Private Limited under the Companies Act, 1956 and a certificate of incorporation was issued by Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli on April 22, 2004. Our Company was subsequently converted into a public limited Company pursuant to special resolution passed at the Extra Ordinary General Meeting of our Company held on January 22, 2018 and the name of our Company was changed to A-1 Acid Limited. A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the Assistant Registrar of Companies, Ahmedabad, Gujarat dated January 29, 2018.

Our Company is promoted by Shri Harshadkumar Naranbhai Patel and Shri Jitendra Naranbhai Patel. Our promoters are actively and fully involved in the day-to-day affairs of our company's operations. Harshadkumar Patel and Jitendra Patel have 25+ years and 20+ years of experience respectively in the Chemical business and industry.

- **STRENGTHS AND CHALLENGES FOR CHEMICAL INDUSTRIES:**

- 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 India.
- Experienced Management Team
- Quality Assurance and Standards
- Cordial relationships with our suppliers



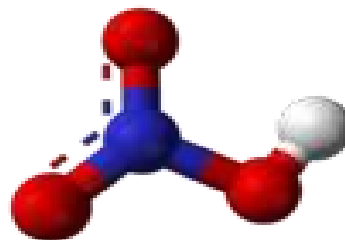
- As the Indian Economy going through lot of turbulence, growth opportunities are bit contracted at this stage.
- Competition from local competitors who offer few products at lesser price;
- Material shortage/ undersupply and volatility in prices.

- **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.

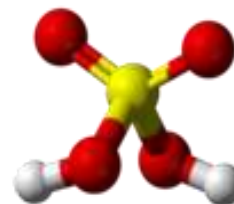
- **SEGMENT REVIEW:** Your company deals in following products:

- **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%.



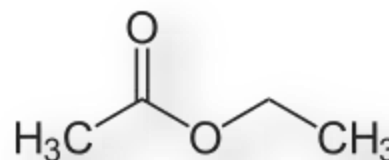
- **HYDROCHLORIC ACID:** Hydrochloric acid is manufactured to food grade and industrial grade specifications. Food grade hydrochloric acid finds use in the production of food ingredients, food additives and in the sugar and brewery industries, while the industrial grade finds application in metal pickling, 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 sulfuric 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.



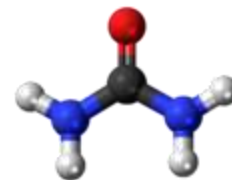
- **ETHYL ACETATE:** This colorless liquid has a characteristic of sweet smell (similar to pear drops) and is used in glues, nail polish remover, decaffeinating tea and coffee, and cigarettes. Ethyl acetate is the ester of ethanol and acetic acid; it is manufactured on a large scale for use as a solvent.

- **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, odorless powder or colorless 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.

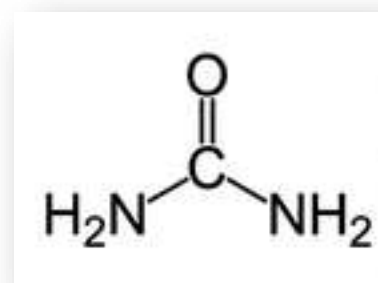


- **ACETIC ACID:** Acetic Acid is used in textile industries for textile processing and printing.

- **TOLUENE DIISOCYANATE (TDI):** Toluene Diisocyanate (TDI) 80-20 is a toxic and highly reactive organic compound. The chemical formula for TDI is $(\text{CH}_3\text{C}_6\text{H}_3[\text{NCO}]_2)$. TDI is often marketed as TDI 80/20.

Commercial production of toluene diisocyanate involves the conversion of toluene to a diamine, which is reacted with phosgene to yield TDI, a clear to pale yellow liquid with a sharp odour.

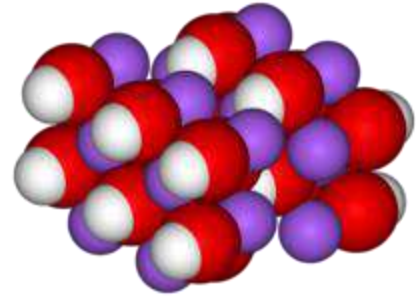
TDI 80-20 is a mixture blend of 80% 2,4-toluene diisocyanate and 20% 2,6-toluene diisocyanate. TDI 80-20 is mainly used in the production of polyurethane foam and other polyurethane products including elastomers, synthetic leather, coated fabrics, paints and adhesives.



- **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.

- **FLY ASH:** Fly ash, also known as "pulverised fuel ash" in the United Kingdom, is a coal combustion product that is composed of the particulates (fine particles of burned fuel) that are driven out of coal-fired boilers together with the flue gases. Ash that falls to the bottom of the boiler is called bottom ash. In modern coal-fired power plants, fly ash is generally captured by electrostatic precipitators or other particle filtration equipment before the flue gases reach the chimneys. Together with bottom ash removed from the bottom of the boiler, it is known as coal ash.



- **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: Your company also provide 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), Hindustan Zinc Ltd. (HZL), Hindalco Industries, Nirma Ltd, SRF Ltd, KIRI Industries & many other Top 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:** During the period under the review, the company has reported a total income of Rs. 15012.30 lakhs, this is 34.47% more than the previous year. Profit before tax for the period under the review is Rs. 561.74 Lakhs, this is 48.83% more than the previous year.
- **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	No. of Employees
Chairman cum Managing Director, Whole-Time Director	3
Independent & other Non-Executive Director	4
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 Indian chemical industry has gained a major share in Asia's growing contribution to the global chemical industry. It has also emerged as one of the preferred destinations for investment in the chemical industry worldwide. Indian chemical companies support a sizable and highly diversified industry that includes commodities, specialities, polymers, agrochemicals and a range of other groups. Total chemical sales are expected to grow to US\$214 billion by 2019. By 2025, the Indian chemical industry is projected to reach US\$403 billion.

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 2018-2019	Financial Year 2017-2018	Change in %	Explanation
Profitability Ratios (%)				
Operating Profit Margin	4.807	5.405	(11.06)	-
Net Profit Margin	2.97	1.92	54.69	Improved Profitability
Return on Net Worth	41.83	27.46	52.33	Effective Increase in Net Income
Working Capital Ratios (Days)				
Debtors Turnover	66	85	22.35	Better Average Realisation Period
Inventory Turnover	2	2.29	12.67	-
Gearing Ratios				
Interest Coverage	5.84	3.31	76.44	Improved Profitability and so the interest coverage.
Debt/Equity	0.52	1.81	71.27	Company launched its SME IPO during the year so there is increase in

				the Securities Premium. Also there is decrease in current liabilities.
Liquidity ratios				
Current Ratio	3.46	1.47	135.37	Company has effectively reduced its current liabilities

- **DISCLOSURE OF ACCOUNTING TREATMENT:** The Company has followed all the treatments in the Financial Statements as per the prescribed Accounting Standards.
- **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-VI
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:

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 Board, if any:	Amount paid as advances, if any:
Harshadkumar N. Patel	Managing Director	Rent Paid	-----	-----	26.04.2018	-----
Jitendra N. Patel	Wholetime Director	Rent Paid	-----	-----	26.04.2018	-----
Krishnaben N. Patel	Mother of Director	Rent Paid	-----	-----	26.04.2018	-----
Binduben J. Patel	Wife of Director	Rent Paid	-----	-----	26.04.2018	-----
Ritaben H. Patel	Wife of Director	Rent Paid	-----	-----	26.04.2018	-----
Numeron Muticusine Restaurant	The Director is proprietor of the firm	Staff Welfare & IPO Expenses, Paid & Transport Charges Received	-----	-----	26.04.2018	-----

Appropriate approvals have been taken for related party transactions. If required.

ANNEXURE-VII

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 2018-19.

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

(Rs. In Lacs)

Sr. No.	Name of Director	Remuneration	Ratio of remuneration to Median Remuneration of the employees	% increase in Remuneration in year ended 31 March 2019
1.	Harshad N Patel, Chairman & Managing Director	66.12	13.24:1	37.40
2.	Jitendra N Patel, Whole-Time Director	48.12	9.64:1	33.20
3.	Utkarsh H Patel, Whole-Time Director-Logistics	42.12	8.43:1	39.84

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	0.01:1
5.	Urvish R. Patel	Independent Director	0.01:1
6.	Lajju H. Shah	Independent Director	0.01:1
7.	Chirag R. Shah	Independent Director	0.01:1

Note: The remuneration of the Non-Executive Directors & Independent 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 2019
8.	Himanshu S. Thakkar	CFO	20
9.	Aanal Patel	Company Secretary & Compliance Officer	NA

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 2019- 10% (apprx).

4. The number of permanent employees on the rolls of Company in the financial year 2018-19: 6 Employees

5. Average percentile increase made in the salaries of employees other than the managerial remuneration in the last financial year was 10%. The increase is based on economic factors mainly on account of Inflation, Performance Rise, availability of the required talent, status of the relevant industry etc.

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.

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 2019, the Statement of Profit and Loss and the Statement of Cash Flows 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 (Accounting Standards) Rules, 2006, as amended (“Accounting Standards”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profits and 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.

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
	Recoverability assessment of trade receivables: The Company has a net trade receivables of INR 264031816 after providing for bad and doubtful debts of INR Nil as at 31st March, 2019.	Our response to the risk: We tested the design and operating effectiveness of key controls focusing on the following: - Identification of loss events, including early

Sr.	Key Audit Matter	Auditor's Response
	<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>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> <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>We re 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 will 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 and the Statement of Cash Flows 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 rule 7 of the Companies (accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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:

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, Prakash B. Sheth & CO
Chartered Accountants
FRN: 108069W

Place: Ahmedabad.
Date: May 15, 2019

Sd/-
(Prakash B.Sheth)
Proprietor
Membership No.:036831

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, 2019 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 to the information and explanation given to us, the Fixed Assets have been physically verified by the management during the year and 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 and 186 of the Companies Act, 2013 and hence not commented upon.
- v. In our opinion, and according to the information and explanation given to us the company has not accepted 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 as at March 31, 2019 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, dues in respect of income tax as at March 31, 2019, which have been not been deposited on account of disputes pending is as under:

Name of the Statute	Name of the disputed dues	Amount Rs.	Period to which the amount relates	Forum where disputes are pending
Income Tax Act 1961	Disallowance u/s 40(a)(ia) TDS not mafe from Rent. Disallowance u/s 40A(3) Electric Expenses paid in cash..	304130/-	Assessment year 2013-14 (Financial year 2012-13)	Commissioner of Income Tax (Appeals)
CST Act	Not providing 'C' Forms at the time of assessment	228830/-	Financial year 2013-14	Deputy Commissioner of Commercial Tax
CST Act	Not providing 'E1' Forms at the time of assessment	222614/-	Financial year 2010-11	Gujarat Value Added Tax Tribunal

- 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. According to the records of the Company examined by us and the information and explanation given to us, the Company raised money by way of initial public offer of equity shares during the year. The Company has used the money raised by way of initial public offer of equity shares and term loans during the year for the purpose 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. As the company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the notes to the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. 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, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, 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, Prakash B Sheth & CO
Chartered Accountants
FRN: 108069W

Sd/-
(Prakash B.Sheth)
Proprietor.
Membership No.:036831

Place: Ahmedabad.
Date: May 15, 2019

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, 2019 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, 2019 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, 2019, 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, Prakash B Sheth & CO
Chartered Accountants
FRN: 108069W**

Place: Ahmedabad

Date: May 15, 2019

**Sd/-
(Prakash B.Sheth)
Proprietor.
Membership No.:036831**

A-1 ACID LIMITED				
Balance Sheet as at 31st March 2019				
				(Rupees)
	PARTICULARS	NOTE NO	As At 31st March 2019	As At 31st March 2018
I	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	Share capital	4	100000000	70000000
	Reserves and Surplus	5	246667393	67761042
2	Non-current liabilities			
	Long term borrowings	6	68719718	44910464
	Deferred tax liabilities (Net)	11	8480201	7253683
	Other long term liabilities		0	0
	Long -term provisions		0	0
3	Current liabilities			
	Short term borrowings	7	60018854	103548072
	Trade payables	8		
	Total outstanding dues of micro enterprises and small enterprises		0	0
	Total outstanding dues of creditors other than micro and small enterprise		12022997	31756071
	Other current liabilities	9	29797008	61530500
	Short term provisions		0	0
	Totals		525706171	386759832
II	ASSETS			
1	Non current assets			
	<i>Property, Plant and Equipment</i>			
	Tangible assets	10	141757391	88398344
	Intangible assets		3100000	3100000
	Capital Work in Progress		2739344	0
	Non current investments		0	0
	Deferred tax assets (Net)		0	0
	Long term loans and advances	12	25511308	6624951
	Other non-current assets		0	0
2	Current Assets			
	Current investments		0	0
	Inventories	13	6683552	8768167
	Trade receivables	14	264031816	245425269
	Cash and cash equivalent	15	4418016	3185951
	Short Term loans and advances	16	77461630	31257150
	Other current assets	17	3114	0
	Totals		525706171	386759832

Significant Accounting Policies and Notes to Accounts

1 to 26

As per our Report of even date attached

For and on Behalf of Board

FOR, PRAKASH B. SHETH & CO.
Chartered Accountants
FRN : 108069W

FOR, A-1 ACID LIMITED

Sd/-
Prakash B.Sheth
Proprietor
M.No.036831

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

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

Sd/-
Himanshu Thakkar
CFO
(PAN: AUEPT5559R)

Sd/-
Aanal Patel
Company Secretary
(M.NO. 47690)

Place : Ahmedabad

Place : Ahmedabad

DATE : May 15, 2019

DATE : May 15, 2019

A-1 ACID LIMITED				
Statement of Profit and Loss for the year ended 31st March, 2019				
(Rupees)				
	PARTICULARS	NOTE NO	For the year ended on 31st March 2019	For the year ended on 31st March 2018
I	Revenue from operations	18	1409895712	1000988831
II	Other income	19	91334502	115407110
III	Total Revenue (I+II)		1501230214	1116395941
IV	Expenses			
	Purchase of stock-in-trade		1228873429	864918049
	Tanker & Transport Expenses		139714512	141816297
	Changes in inventories of finished goods, Work in Progress and Stock in Trade	20	2084615	-4953619
	Employee benefits expenses	21	25462609	21197063
	Finance cost	22	11733966	16809843
	Depreciation and amortization expenses		17632384	17729639
	Other expenses	23	19555178	21135680
	Total Expenses		1445056693	1078652951
	Profit Before Prior Period Items		56173521	37742990
	Prior Period Items		0	0
V	Profit before exceptional and extraordinary items and tax (III-IV)		56173521	37742990
VI	Exceptional items		0	0
VII	Profit before extraordinary items and tax (V-VI)		56173521	37742990
VIII	Extraordinary items			0
IX	Profit before tax (VII-VIII)		56173521	37742990
X	Tax expenses			
	Current tax		13118392	11497506
	Deferred tax		1226518	7012555
XI	Profit (Loss) for the period from continuing operations		41828611	19232929
	Tax Adjustment of Earlier Year		0	13587
	Profit(Loss) after Tax Adjustment		41828611	19219342
XII	Profit (Loss)for the period (XI+XIV)		41828611	19219342
XIII	Earning per equity share Basic and diluted	25	4.97	7.18

As per our Report of even date attached

For and on Behalf of Board

FOR, PRAKASH B. SHETH & CO.
Chartered Accountants
FRN : 108069W

FOR, A-1 ACID LIMITED

Sd/-
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Sd/-
Aanal Patel
Company Secretary
(M.NO. 47690)

Place : Ahmedabad

Place : Ahmedabad

DATE : May 15, 2019

DATE : May 15, 2019

A-1 ACID LIMITED

Cash Flow Statement for the year ended on 31st March 2019

Particulars	For the year ended on March 31, 2019		For the year ended on March 31, 2018	
	(In Rupees)	(In Rupees)	(In Rupees)	(In Rupees)
1. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Taxation		5,61,73,521		3,77,42,990
Add:-				
Depreciation	1,76,32,384		1,77,29,639	
Interest expense	1,16,03,220		1,63,63,456	
Loss in sale of fixed assets	1,57,741		10,71,280	
Sundry Balance written off	14,82,282		-	
Bad debts written off	7,54,844	3,16,30,471	16,53,612	3,68,17,987
less:-				
Profit on sale of fixed assets	-		-	
Depreciation Written back	-		-	
Dividend income	-		-	
Interest income	(4,24,309)	(4,24,309)	(7,51,623)	(7,51,623)
Operating profit before working capital changes		8,73,79,682		7,38,09,353
ADD/LESS Changes for working capital				
Increase/(Decrease) in Trade Payables	(1,97,33,073)		68,64,868	
(Increase)/Decrease in Inventories	20,84,615		(49,53,619)	
(Increase)/Decrease in Trade Receivables	(2,08,43,674)		(2,73,09,469)	
Increase/(Decrease) in Other Current Liabilities	(3,17,33,492)		(21,06,627)	
(Increase)/Decrease in Long Term loans & advances	(1,89,36,357)		(7,04,384)	
(Increase)/Decrease in Short Term loans & advances	(4,26,31,996)		(55,36,064)	
(Increase)/Decrease in Current Assets	(3,114)		-	
Increase/(Decrease) in Provisions	-		-	
Less: Adjustment for Taxes:		(13,17,97,091)		(3,37,45,295)
Direct Taxes paid	(1,66,90,876)		(1,11,04,007)	
Wealth Tax paid	-		-	
Income Tax Refund	-	(1,66,90,876)	-	(1,11,04,007)
Cash generated from operation (A)		(6,11,08,285)		2,89,60,052
2. CASH FLOW FROM INVESTING ACTIVITIES :				
Interest income	4,24,309		7,51,623	
Increase in Current Investments	-		-	
Increase in Non Current Investments	-		-	
Sale of fixed assets	11,66,500		73,49,339	
Purchase of fixed assets	(7,50,55,016)		(48,46,234)	
Increase in other current assets	-		-	
Increase in other non current assets	-		-	
Dividend income	-	(7,34,64,207)	-	32,54,728
Net cash flow from Investing Activities (B)		(7,34,64,207)		32,54,728
3 CASH FLOW FROM FINANCING ACTIVITY :				
Proceeds from/(Repayment) of Long Term Borrowings	2,38,09,254		(1,64,14,311)	
Proceeds from/(Repayment) of Short Term Borrowings	(4,35,29,218)		(47,05,372)	
Dividend paid	-		-	
Interest paid	(1,16,03,220)		(1,63,63,456)	
Proceeds from Issuance of Shares in IPO (Net)	16,70,77,740		-	
Net cash flow from financing Activities (C)	-	13,57,54,556	-	(3,74,83,139)
Net increase or decrease in Cash and Cash Equivalents (A+B+C)		11,82,065		(52,68,358)
Opening Cash and Cash equivalents		31,35,521		84,03,879
Closing Cash and cash equivalents		43,17,586		31,35,521

As per our Report of even date attached
FOR, PRAKASH B. SHETH & CO.
Chartered Accountants
FRN : 108069W

Sd/-
Prakash B.Sheth
Proprietor
M.No.036831

Place : Ahmedabad

DATE : May 15, 2019

For and on Behalf of Board
FOR, A-1 ACID LIMITED

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

Sd/-
Himanshu Thakkar
CFO
(PAN: AUEPT5559R)

Place : Ahmedabad

DATE : May 15, 2019

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

Sd/-
Aanal Patel
Company Secretary
(M.NO. 47690)

A-1 ACID LIMITED

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES :

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. Basis of accounting and preparation of Financial Statements

The Financial Statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these Financial Statements to comply in all material respects with the accounting standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Financial Statements have been prepared under the historical cost convention on an accrual basis. The accounting policies adopted in the preparation of Financial Statements are consistent with these of previous period.

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current – noncurrent classification of assets and liabilities.

3. Significant accounting policies

3.1 Use of Estimates

The preparation of financial statements in conformity with Indian Accounting Standards requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis.

3.2 Property, Plant and Equipment

PPE are valued at cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use and all the expenses incurred up to preoperative period.

3.3 Depreciation and amortization

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.

3.4 Borrowing costs

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.

3.5 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.

3.6 Investments

There are no Investments.

3.7 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of Goods:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. The company collects value added taxes (VAT)/Goods and Service Tax on behalf of the government and, therefore, there are no economic benefits flowing to the company. Hence, they are excluded from revenue.

Other Income:

Transport receipts and other Income are recognized on Accrual basis.

3.8 Income Tax:

Current Tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that

are enacted or substantively enacted, at the reporting date. Current Income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred Tax:

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

3.9 Earning per Share:

Basic earning per share is computed by dividing the profit after tax (including the post tax effect of extraordinary items, if any) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

3.10 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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.

3.11 Provisions:

A provision is recognized when the company has a present obligation as a result of past event. It is possible that an outflow of resources embodying benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

3.12 Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be

recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but disclosed its existence in the financial statements.

3.13. Value of imported and indigenous raw materials consumption:

	Previous Year		Current Year	
	Value (Rs.)	Percentage of total consumption	Value (Rs.)	Percentage of total consumption
Imported	0	0	0	0
Indigenous	0	0	0	0
Total	0	0	0	0

3.14. Segment Reporting:-

Primary Business Segment:-

The Company is primarily engaged in whole sale trading of acid & chemicals and accordingly this is the only primary reportable segment as per accounting standard 17.

Geographical Segments:-

The Company primarily sells its products within India only and hence accordingly there is only single geographical reportable segment.

3.15. Expenditure in foreign currency

Particulars	Foreign Currency	Equivalent Indian Currency
Import of Capital Goods	Nil	Nil
Travelling Expense	Nil	Nil
Total	Nil	Nil

A-1 ACID LIMITED

A-1,Shivalik Business Centre, B/h Rajpath Club,
Off.S.G.Highway, Bodakdev, Ahmedabad-380058

NOTES TO FINANCIAL STATEMENTS:

NOTE : 4	AS AT 31/03/2019	AS AT 31/03/2018
SHARE CAPITAL		
AUTHORISED		
12000000 Equity Shares of Rs. 10/- Each (12000000 Equity Shares of Rs. 10/- Each)	120000000	120000000
ISSUED, SUBSCRIBED & PAID UP		
----- 10000000 Equity Shares of Rs. 10/- each fully paid up (7000000 Equity Shares of Rs. 10/- each fully paid up)	100000000	70000000
TOTAL Rs. >>>	100000000	70000000

Termes/Rights attached to Equity Shares

i) The Company has single class of equity shares having par value of Rs.10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend declared from time to time.

ii) 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.1800.00 lakhs through the initial public offer (IPO). Subsequently, the entire equity share capital consisting 30,00,000 equity shares of Rs. 10/- each of the Company post-IPO listing and trading approval from BSE Limited Stock Exchange - SME platform vide their letter dated 18th September 2018.(approval from registrar of companies , ahmedabad)

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31/03/2019		31/03/2018	
	No.	Amount Rs.	No.	Amount Rs.
At the beginning of the period	7000000	70000000	1000000	10000000
Add: Shares issued during the period	3000000	30000000	6000000	60000000
Outstanding at the end of period	10000000	100000000	7000000	70000000

Details of shareholders holding more than 5% shares in the Company

Name of the Shareholders	As at 31st March, 2019		As at 31st March, 2018	
	% of Equity Share	No. of Shares held	% of Equity Share	No. of Shares held
Harshadbhai N Patel	27.30%	2730000	39.00%	2730000
Jitendrabhai N Patel	27.30%	2730000	39.00%	2730000
Krishnaben Naranbhai Patel	7.70%	769600	10.99%	769600
Utkarsh H Patel	7.70%	770000	11.00%	770000

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.

Bonus Shares / Buy Back / Shares for consideration other than Cash issued during past five years

Particulars	Year (Aggregate No. of Shares)			
	2018-19	2017-18	2016-17	2015-16
Equity Shares :				
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-
Fully paid up by way of bonus shares	-	60,00,000	-	-

60,00,000 Equity Shares of Rs. 10 each fully paid up, were issued as bonus shares during the month of December 2017, by utilisation of Rs.6 00,00,000 from surplus, pursuant to a bonus issue approved by shareholders.

NOTE : 5		AS AT	AS AT
RESERVE AND SURPLUS		31/03/2019	31/03/2018
General Reserve			
Opening Balance	3260600		3260600
Additions during the year	0		0
		3260600	3260600
Securities Premium			
Opening Balance	0		0
Premium received on issuance of shares	150000000		0
IPO Expenses adjusted against Securities Premium	(12922260)		0
		137077740	0
Balance at the end of the year			
Surplus			
Opening Balance	64500442		105281100
Less :Issue of Bonus Shares	0		60000000
Additions during the year	41828611		19219342
		106329053	64500442
TOTAL Rs. >>>		246667393	67761042

NOTE : 6		AS AT	AS AT
LONG TERM BORROWINGS		31/03/2019	31/03/2018
(a) Term Loans			
From Banks (refer Note No.6.1)		49132140	22317484
From Financial Institutes (refer Note No.6.1)		19587578	22592980
TOTAL Rs. >>>		68719718	44910464

NOTE : 6.1	Non Current Portion		Current Portion	
	AS AT 31/03/2019	AS AT 31/03/2018	AS AT 31/03/2019	AS AT 31/03/2018
LONG TERM BORROWINGS				
(a) Term Loans				
From Banks	49132140	22317484	15399722	13469465
From Financial Institutes	19587578	22592980	3005401	2964647
TOTAL Rs. >>>	68719718	44910464	18405123	16434112

Terms of Repayment of Secured Loans

Particulars	Nature of Loan	Mode of Payment	Interest	Nature of Security
Axis Bank & HDFC Bank	Vehicles	EMI	Various Int. rate from 8.50% to 10.56%	Respective Assets under Finance

NOTE : 7	AS AT 31/03/2019		AS AT 31/03/2018	
SHORT TERM BORROWINGS				
Loans repayable on demand (Secured)				
Cash Credit facilities from a scheduled bank (Secured by Hypothecation of Book Debt and Stock and all movable Fixed Assets.)		60018854		102952577
Loans and advances from related parties				
Unsecured				
From Directors	0		595495	0
		0		595495
TOTAL Rs. >>>		60018854		103548072

NOTE : 8	AS AT 31/03/2019		AS AT 31/03/2018	
TRADE PAYABLES				
Micro, Small and Medium Enterprises		0		0
Related Parties		179235		0
Others		11843762		31756071
TOTAL Rs. >>>		12022997		31756071

a) 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

NOTE : 9	AS AT 31/03/2019		AS AT 31/03/2018	
OTHER CURRENT LIABILITIES				
Current Maturities of Long Term Debt (Note 6.1)		18405123		16414312
Duties & Taxes Payable		0		5709206
Advances from Customers		11014621		37002038
Other Advances		281275		300000
Unpaid Expenses		95989		2104944
TOTAL Rs. >>>		29797008		61530500

NOTE: 10

Property, Plant and Equipment

SR. NO.	ASSETS	GROSS BLOCK (AT COST)				ACCUMULATED DEPRECIATION				NET BLOCK	
		As At 01-04-2018	Additions	Disposals/ Adjustments	As At 31-03-2019	As At 01-04-2018	Additions	Written Back	As At 31-03-2019	As At 31-03-2019	As At 31-03-2018
Tangible Assets											
1	Furniture & Fixtures	3833361	0	0	3833361	2462646	487816	0	2950462	882899	1370715
2	Plant & Machineries	9333503	4235513	777592	12791425	3868331	873647	355079	4386899	8404526	5465172
3	Tankers	125993759	61444927	18034478	169404208	62538595	13713498	17132750	59119343	110284865	63455164
4	Vehicles	17894532	6398791	0	24293323	5985507	2389618	0	8375125	15918198	11909025
5	Computers	647755	236441	0	884195	482414	167805	0	650219	233976	165341
6	Storage Tanks (Used on Tank	13080064	0	0	13080064	7047137	0	0	7047137	6032927	6032927
A	Sub Total	170782974	72315672	18812070	224286576	82384630	17632384	17487829	82529185	141757391	88398344
Intangible Assets											
1	Goodwill	3100000	0	0	3100000	0	0	0	0	3100000	3100000
B	Sub Total	3100000	0	0	3100000	0	0	0	0	3100000	3100000
Capital Work in Progress											
1	Storage Tank	0	2739344	0	2739344	0	0	0	0	2739344	0
2	Vehicles	0	0	0	0	0	0	0	0	0	0
C	Sub Total	0	2739344	0	2739344	0	0	0	0	2739344	0
TOTAL (A+B+C)		173882974	75055016	18812070	230125920	82384630	17632384	17487829	82529185	147596735	91498344

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

NOTE : 11	AS AT		AS AT
DEFERRED TAX LIABILITIES (NET)	31/03/2019		31/03/2018
Deferred Tax Assets			
Difference between book depreciation and tax depreciation	8480201		7253683
TOTAL Rs. >>>	8480201		7253683

NOTE : 12	AS AT		AS AT
LONG TERM LOANS AND ADVANCES	31/03/2019		31/03/2018
(Unsecured considered good)			
Security Deposits	25511308		6624951
TOTAL Rs. >>>	25511308		6624951

NOTE : 13	AS AT		AS AT
INVENTORIES	31/03/2019		31/03/2018
Finished Goods	6683552		8768167
TOTAL Rs. >>>	6683552		8768167

NOTE : 14	AS AT		AS AT
TRADE RECEIVABLES	31/03/2019		31/03/2018
Unsecured, considered good			
More than six months *	61790906		81094928
Others	202240910		164330341
TOTAL Rs. >>>	264031816		245425269

* Include Amount of Rs.60,04,407/- receivable from related parties.

NOTE : 15	AS AT		AS AT
CASH & CASH EQUIVALENTS	31/03/2019		31/03/2018
Cash on hand	1145894		1378678
Balances with banks			
In Current Account	3171692		1756843
Other Bank Balance			
Fixed Deposit Maturity more than twelve months	100430		50430
TOTAL Rs. >>>	4418016		3185951

Fixed Deposit pledged as security deposit
with Superintendent of Prohibition Department

NOTE : 16	AS AT 31/03/2019	AS AT 31/03/2018
SHORT TERM LOANS AND ADVANCES		
Balance with Revenue Authorities	14329435	2644459
Prepaid Expenses	1619697	3097086
Advances to Suppliers	48906974	10796363
Advance to Drivers & Staff	2401383	2330721
Insurance claim receivable	0	237388
Other Advances	10204140	12151133
TOTAL Rs. >>>	77461630	31257150

NOTE : 17	AS AT 31/03/2019	AS AT 31/03/2018
OTHER CURRENT ASSETS		
Interest accrued but not due on Fixed Deposits	3114	0
TOTAL Rs. >>>	3114	0

NOTE : 18	For the year ended on 31/03/2019	For the year ended on 31/03/2018
REVENUE FROM OPERATIONS		
Sale of products	1349712083	974453298
Other operating revenues	61355187	26535533
Less:		
Goods Return	1171558	0
TOTAL Rs. >>>	1409895712	1000988831

Sale of Products Comprises		
Acetic Acid	3831891	0
Hydrochloric Acid	7369997	0
Oleum Acid	0	231310
Concentrated Nitric Acid	306355480	153642331
Nitric Acid	83699291	64733753
Ethly Acetate	24369427	0
Sulphuric Acid	365747343	385623376
WNA 61% & 61.5%	411145493	282489415
WNA 68%	22801673	13418276
WNA 72%	50946181	25030129
WNA 18% to 40%	11994194	7628347
Nitro Benzene	13490303	0
Methanol	41190293	22358240
Others	6770517	19298121
TOTAL Rs. >>>	1349712083	974453298

Other Operating Revenues Comprises		
Transport Receipts	61355187	26535533

NOTE : 19	For the year ended on 31/03/2019	For the year ended on 31/03/2018
OTHER INCOME		
Interest	424309	751623
Commission	2179595	1920720
Discount Received	84862792	112236411
Rounded Off	0	1880
Rate Difference	849286	0
Detention & Mobilization Income	0	30000
Cash Discount	2990155	233527
Miscellaneous Income	28365	232948
TOTAL Rs. >>>	91334502	115407110

NOTE : 20		
<u>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN PROGRESS AND STOCK IN TRADE</u>	For the year ended on 31/03/2019	For the year ended on 31/03/2018
<u>Inventories at the end of the year</u>		
Finished Goods	6683552	8768167
	6683552	8768167
<u>Inventories at the beginning of the year</u>		
Finished Goods	8768167	3814548
	8768167	3814548
Net Increase/Decrease	2084615	-4953619

NOTE : 21		
EMPLOYEE BENEFIT EXPENSE	For the year ended on 31/03/2019	For the year ended on 31/03/2018
Bonus	270000	766000
Salary	2738500	5545950
Medical Expenses	52337	21638
Staff Welfare	1766612	223917
Men Power Cost	4688445	1110299
Director's Remuneration	15636000	12545260
Director's Insurance Premium	304720	940420
Director's Medclaim Insurance Premium	0	34361
Staff Insurance	5995	9218
TOTAL Rs. >>>	25462609	21197063

NOTE : 22		
FINANCE COST	For the year ended on 31/03/2019	For the year ended on 31/03/2018
Interest:		
Bank	6290965	9466289
Tanker Loan	4736996	6131370
Car Loan	571281	693159
On Statutory Dues	107365	194555
Others Interest	3978	72637
Other Borrowing Cost		
Bank Charges	23381	75092
Stamp Exp.	0	176740
TOTAL Rs. >>>	11733966	16809843

NOTE : 23				
OTHER EXPENSES			For the year ended on 31/03/2019	For the year ended on 31/03/2018
Administrative Expenses:				
Taxes & Duties		364882		516241
Insurance Premium		2528684		2297129
Repairs & Maintenance				
Plant & Machineries	17010		83339	
Office	878521		724647	
Computer	50504		48605	
Shed	0		114080	
		946035		970671
Auditor's Remuneration		175000		75000
VAT Audit Fees		10000		20000
Professional Fee		853600		724600
Stamp Duty & ROC Fees		0		1370000
Vehicle Expenses		1647480		1024147
Conveyance Expenses		79039		0
Bad Debt		754844		1653612
Postage & Courier Exp.		197346		185252
Office & Misc.Expenses		259400		495815
Membership Fees		11000		0
Licence Fees		30963		29640
Stationery & Printing Exp.		289843		166649
Vatav & Kasar		110249		349059
Office & Godown Rent		4591200		4406105
Telephone & Internet Expenses		293484		388643
Water Expense		46598		65391
Travelling Expense		209063		241712
Donation		13200		48200
Form Filing Fee		38300		7200
Electricity Expense		732939		778161
Penalty		197888		24819
Tender Fee		35471		23460
Tea and Refreshment Exp.		259682		311165
Weightment Charges		135320		179480
Trademark Registration Fee		12600		27000
Registration Charge [MSME]		1850		0
Directors' Siting Fees		24000		0
Legal Exp.		9070		95000
Sundry Balance Write Off		1482282		0
Detention Charges		7000		0
Appeal Fee		1000		0
Round Off		35		0
Loss in sale of Assets		157741		1071280
Selling & Distribution Expenses:				
Export Expenses		0		439677
Advertisement Expenses		243494		130041
Tempa Bhada		263010		150540
Sales Promotion		1293288		1905868
Sales Commission		1105023		853675
Labour Charges		143275		110450
TOTAL Rs. >>>		19555178		21135680
Auditor's Remuneration comprises of				
Audit fees		100000		50000
Tax Audit fees		25000		25000
Certification		100000		0
Taxation Matters		60000		0
TOTAL Rs. >>>		285000		75000

NOTE : 24		
CONTINGENT LIABILITIES	2018-19	2017-18
Income Tax Liability that may arise in respect of matters in appeal	304130	26840980
CST Liability that may arise in respect of matters in appeal	451444	451444
TOTAL Rs. >>>	755574	27292424

NOTE : 25		
EARNING PER SHARE	2018-19	2017-18
Profit after Tax	41828611	19219342
Weighted average number of equity shares in calculationg basic EPS	8421918	2676712
Nominal value of equity share	10	10
Basic/Diluted/Adjusted Earning per share (Rs)	4.97	7.18

Note : 26
Related Party Disclosure

Related parties and their relationship -

Name of the related party	Relationship
Ritaben H Patel	Wife of Director
Binduben J Patel	Wife of Director
Aavkar Chemical Ind.	The director is proprietor of this firm.
Harshadkumar N Patel	Chairman/Managing Director
Jitendra N Patel	Whole time Director
Krishnaben N Patel	Mother of Director
Express Chemical Corporation	One of the Directors is a partner.
Utkarsh Patel	Director
Numeron Multicuisine Restaurant	The director is proprietor of this firm.

Transactions with related parties -

Name of the related party	Loan Accepted Rs.	Loan Repaid Rs.	Interest paid Rs.	Salary & Bonus paid Rs.	Staff Welfare Exp Paid/IPO Related Exp	Rent paid Rs.	Transport Charges received Rs.
Harshad N.Patel	100000	462587	1243	6612000	-	529200	-
Jitendra N.Patel	200000	424107	1995	4812000	-	674190	-
Utkarsh H.Patel	150000	150542	542	4212000	-	-	-
Krishnaben N.Patel	-	-	-	-	-	1650000	-
Binduben J.Patel	-	-	-	-	-	825000	-
Ritaben H.Patel	-	-	-	-	-	825000	-
Numeron Multicuisine Restaurant	-	-	-	-	1764290	-	108000

As per our Report of even date attached

FOR, PRAKASH B. SHETH & CO.
Chartered Accountants
FRN : 108069W

Sd/-
Prakash B.Sheth
Proprietor
M.No.036831

Place : Ahmedabad

DATE : May 15, 2019

For and on Behalf of Board

FOR, A-1 ACID LIMITED

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

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

Sd/-
Himanshu Thakkar
CFO
(PAN: AUEPT5559R)

Sd/-
Aanal Patel
Company Secretary
(M.NO. 47690)

Place : Ahmedabad

DATE : May 15, 2019

ATTENDANCE SLIP

A-1 ACID LIMITED

REGISTERED OFFICE: CORPORATE HOUSE NO. A-1, SHIVALIK BUSINESS CENTRE,
B/H. RAJPATH CLUB, S. G. HIGHWAY, BODAKDEV, AHMEDABAD – 380059

CIN: L24119GJ2004PLC044011

CONTACT NO: 07940091111, **EMAIL ID:** info@a1acid.com

15TH ANNUAL GENERAL MEETING-2019,
THURSDAY, 19TH SEPTEMBER, 2019 AT 11:00 A.M.

Regd. Folio/DP ID & Client ID	
Name & Address of the Shareholder(s)	
Joint Holder 1 Joint Holder 2	
No. of Shares	

I hereby certify that I/we a Registered Shareholder/Proxy for the registered Shareholder of the Company.

I/we hereby record my presence at the 15th Annual General Meeting of the Company at the Registered Office of the Company situated at Corporate House No. A-1, Shivalik Business Centre, B/h. Rajpath Club, S. G. Highway, Bodakdev, Ahmedabad - 380059, on Thursday, 19th September, 2019 at 11:00 a.m.

Members/Proxies Signature

Note: Please bring the attendance slip to the meeting and handover at the entrance dully filled in.

FORM NO. MGT-11
PROXY FORM

*Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]*

A-1 ACID LIMITED

REGISTERED OFFICE: CORPORATE HOUSE NO. A-1, SHIVALIK BUSINESS CENTRE, B/H.
RAJPATH CLUB, S. G. HIGHWAY, BODAKDEV, AHMEDABAD – 380059
CIN: L24119GJ2004PLC044011
CONTACT NO: 07940091111, EMAIL ID: INFO@A1ACID.COM
15TH ANNUAL GENERAL MEETING- 19TH SEPTEMBER, 2019 AT 11:00 A.M.

Name of the member (s):	
Registered address:	
E-mail Id:	
Folio No/ Client Id/ DP ID*:	

(*Applicable for Members holding shares in electronic form)

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:
Address:
E-mail Id:
Signature:....., or failing him

2. Name:
Address:
E-mail Id:
Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the 19th September, 2019 At Corporate House No. A-1, Shivalik Business Centre, B/h. Rajpath Club, S. G. Highway, Bodakdev, Ahmedabad – 380059 at 11:00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTION NO.	RESOLUTIONS	FOR	AGAINST
ORDINARY BUSINESS			
1.	Adoption Of The Financial Statement And Report Of The Board Of Directors And Auditor Thereon		
2.	Appointment Of Mr. Utkarsh Harshadkumar Patel (DIN: 03055266) as a director of the company, liable to retire by rotation		

3.	To appoint M/s. Riddhi P. Sheth & co., chartered accountants, Ahmedabad as statutory auditors of the company to hold office for a period of 5 (five) consecutive financial years, from the conclusion of the 15th annual general meeting of the company until the conclusion of the 20th annual general meeting of the company and to authorise the board of directors of the company to fix their remuneration		
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Signed this _____ day of _____ 2019.

Affix
Revenue
Stamp

Signature of Shareholder(s): _____

Signature of Proxy holder(s): _____

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.