

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

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



**A-1 ACID
LIMITED**

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

Date: 15.06.2022

To,
BSE LIMITED,
Compliance Department,
Phiroze JeeJeebhoy Towers,
Dalal Street,
Mumbai-400001

Security Code: 542012

Security ID: AAL

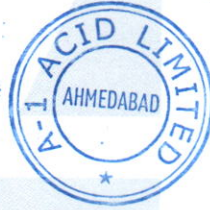
SUB: 18TH ANNUAL REPORT OF A-1 ACID LIMITED

Dear Sir/ Madam,

Please find attached herewith a copy of 18TH 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 Naranbhai Patel
Chairman and Managing director
DIN: 00302819



18th
ANNUAL REPORT

2021-22



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

A-1 ACID LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

BANKERS

Deutsche Bank AG
HDFC Bank Ltd.
IndusInd Bank

REGISTERED OFFICE

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

CHIEF FINANCIAL OFFICER

Mr. Himanshu Sunil Thakkar

CORPORATE IDENTITY NUMBER

L24119GJ2004PLC044011

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Aanal Bharatbhai Patel

WEBSITE

www.a1acid.com

STATUTORY AUDITORS

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

INVESTOR SERVICES EMAIL ID

cs@a1acid.com

SECRETARIAL AUDITOR

M/s. H. S. Mehta & Associates.
Company Secretary
FCS: 3973/CP No.2471
Peer Review Number: 677/2020

REGISTRAR AND SHARE TRANSFER AGENT

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

CONTENT OF ANNUAL REPORT 2021-22

Sr. No.	PARTICULARS
1.	Notice to Members
2.	Directors' Report
3.	Annexure to the Directors' Report
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A-1 ACID LIMITED

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

NOTICE TO MEMBERS

Notice is hereby given that the 18th Annual General Meeting of the Members of **A-1 ACID LIMITED** will be held on Friday, 8th July, 2022 at 11:00 A.M. IST through video conferencing ("VC") /Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

ITEM NO. 1 TO CONSIDER AND ADOPT (A) THE AUDITED STANDALONE FINANCIAL STATEMENT OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022 AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON; AND (B) THE AUDITED CONSOLIDATED FINANCIAL STATEMENT OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022 AND THE REPORT OF AUDITORS THEREON:

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

- a) "RESOLVED THAT the audited standalone financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."
- b) "RESOLVED THAT the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

ITEM NO. 2 TO APPOINT MRS. KRISHNA UTKARSH PATEL, DIRECTOR, WHO RETIRES BY ROTATION AS A DIRECTOR:

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

"**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Krishna Utkarsh Patel (DIN: 08685126), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

ITEM NO: 3 TO DECLARE A DIVIDEND ON EQUITY SHARES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022:

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

“RESOLVED THAT a dividend at the rate of 1.50/- (One Rupees fifty paise only) per equity share of 10/- (Ten rupees) each fully paid-up equity shares of the Company as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2022 and the same be paid out of the profits of the Company.”

SPECIAL BUSINESS:

ITEM NO: 4 TO APPROVE REMUNERATION OF TO MRS. KRISHNA UTKARSH PATEL:

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

“RESOLVED THAT pursuant to Sections 2(78), 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and rules made there under and pursuant Regulation 17 (ca) of SEBI (LODR) Regulations, 2015 and subject to the provisions of Articles of Association of the Company, consent of members of the Company, be and is hereby accorded to approve remuneration of Mrs. Krishna Utkarsh Patel (DIN: 08685126) maximum Rs. 50,000 (Rupees Fifty Thousand only) per month which includes all perquisites, however director can draw lower remuneration than maximum looking to adequacy of profit and fund if any required for expansion of the business operations and to alter and vary the terms and conditions in such manner as may be agreed be and between the Board and Mrs. Krishna Utkarsh Patel (DIN: 08685126), subject to overall ceiling of remuneration stipulated in sections 2(78) and 197 read with Schedule V of the Act.”

“RESOLVED FURTHER THAT in the event of absence or inadequacy of profits of the company in any financial year, the aforesaid remuneration shall be paid as minimum remuneration to Mrs. Krishna Utkarsh Patel (DIN: 08685126).”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to alter and vary the aforesaid terms as to remuneration within the ceiling limits as mentioned aforesaid.”

“RESOLVED FURTHER THAT subject to the limits contained in Section – 197 read with Schedule V of the Companies Act, 2013, Mrs. Krishna Utkarsh Patel (DIN: 08685126), Director, be paid remuneration as remuneration terms recommended by the Board and also mentioned below:

I. REMUNERATION:

Rs. 50,000 (Rupees Fifty Thousand only) per month w.e.f. 1st August,2022 subject to revision from time to time.

II. REMUNERATION IN THE EVENT OF LOSS OR INADEQUACY OF PROFITS:

Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration which includes all incentives shall be paid subject to the maximum limits prescribed under Schedule V of the Companies Act, 2013.

“RESOLVED FURTHER THAT the remuneration including all benefits, amenities and perquisites shall nevertheless be paid and allowed to Mrs. Krishna Utkarsh Patel (DIN: 08685126), as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed there under and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution.”

“RESOLVED FURTHER THAT any one Director of the Company be and is here by authorized to certify all the e-forms filed in the course of giving effect to the above said resolution.”

ITEM NO. 5 TO RE-APPOINT AND INCREASE REMUNERATION OF MR. HARSHADKUMAR NARANBHAI PATEL AS MANAGING DIRECTOR:

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules framed thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Harshadkumar Naranbhai Patel (DIN: 00302819) as Managing Director of the Company for a period of five years with effect from 1st February, 2023 on the remuneration and other terms and conditions, details of which are given in Explanatory Statement annexed hereto;

“RESOLVED FURTHER THAT subject to the limits contained in Section - 197 read with Schedule V of the Companies Act, 2013, Mr. Harshadkumar Naranbhai Patel (DIN: 00302819) Managing Director, be paid remuneration as remuneration terms recommended by the Nomination and Remuneration Committee of the Board detailed in agreement to be entered into with him and also mentioned below:

i. REMUNERATION

Salary (inclusive of all perquisites) Rs. 6,01,000 (Rupees Six Lakhs One Thousand only) per month w.e.f. 1st August,2022

II. REMUNERATION IN THE EVENT OF LOSS OR INADEQUACY OF PROFITS:

Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration which includes all incentives shall be paid subject to the maximum limits prescribed under Schedule V of the Companies Act, 2013.

“RESOLVED FURTHER THAT the remuneration including all benefits, amenities and perquisites as set out in the said draft Agreement shall nevertheless be paid and allowed to Mr. Harshadkumar Naranbhai Patel (DIN: 00302819) as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed there under and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution.”

“RESOLVED FURTHER THAT any one Director of the Company be and is here by authorized to certify all the e-forms filed in the course of giving effect to the above said resolution.”

ITEM NO. 6 TO RE-APPOINT AND INCREASE REMUNERATION OF MR. JITENDRA NARANBHAI PATEL AS WHOLETIME DIRECTOR:

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules framed thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Jitendra Naranbhai Patel (DIN: 00164229) as Whole-time Director of the Company for a period of five years with effect from 1st February, 2023 on the remuneration and other terms and conditions, details of which are given in Explanatory Statement annexed hereto;

“RESOLVED FURTHER THAT subject to the limits contained in Section – 197 read with Schedule V of the Companies Act, 2013, Mr. Jitendra Naranbhai Patel (DIN: 00164229) as Whole-time Director, be paid remuneration as remuneration terms recommended by the Nomination and

Remuneration Committee of the Board detailed in agreement to be entered into with him and also mentioned below:

I. REMUNERATION

Salary (inclusive of all perquisites) Rs. 4,71,000 (Rupees Four Lakh Seventy-One Thousand only) per month w.e.f. 1st August,2022

II. REMUNERATION IN THE EVENT OF LOSS OR INADEQUACY OF PROFITS:

Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration which includes all incentives shall be paid subject to the maximum limits prescribed under Schedule V of the Companies Act, 2013.

“RESOLVED FURTHER THAT the remuneration including all benefits, amenities and perquisites as set out in the said draft Agreement shall nevertheless be paid and allowed to Mr. Jitendra Naranbhai Patel (DIN: 00164229) as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed there under and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution.”

“RESOLVED FURTHER THAT any one Director of the Company be and is here by authorized to certify all the e-forms filed in the course of giving effect to the above said resolution.”

ITEM NO. 7 TO RE-APPOINT AND INCREASE REMUNERATION OF MR. UTKARSH HARSHADKUMAR PATEL AS WHOLETIME DIRECTOR:

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules framed thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Utkarsh Harshadkumar Patel (DIN: 03055266) as Whole-time Director of the Company for a period of five years with effect from 1st February,2023 on the remuneration and other terms and conditions, details of which are given in Explanatory Statement annexed hereto;

“RESOLVED FURTHER THAT subject to the limits contained in Section – 197 read with Schedule V of the Companies Act, 2013, Mr. Utkarsh Harshadkumar Patel (DIN: 03055266) as Whole-time Director, be paid remuneration as remuneration terms recommended by the Nomination and Remuneration Committee of the Board detailed in agreement to be entered into with him and also mentioned below:

i. REMUNERATION

Salary (inclusive of all perquisites) Rs. 4,21,000 (Rupees Four Lakh Twenty-One Thousand only) per month w.e.f. 1st August,2022.

II. REMUNERATION IN THE EVENT OF LOSS OR INADEQUACY OF PROFITS:

Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration which includes all incentives shall be paid subject to the maximum limits prescribed under Schedule V of the Companies Act, 2013.

“RESOLVED FURTHER THAT the remuneration including all benefits, amenities and perquisites as set out in the said draft Agreement shall nevertheless be paid and allowed to Mr. Utkarsh Harshadkumar Patel (DIN: 03055266) as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed there under and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution.”

“RESOLVED FURTHER THAT any one Director of the Company be and is here by authorized to certify all the e-forms filed in the course of giving effect to the above said resolution.”

ITEM NO: 8 RE-APPOINTMENT OF MR. CHIRAG RAJNIKANT SHAH AS AN INDEPENDENT DIRECTOR OF THE COMPANY FOR SECOND TERM FOR PERIOD OF FIVE YEARS:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013(“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Chirag Rajnikant Shah (DIN:02165478), who holds office of Independent Director up to 14th December,2022 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and

Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act, from a Member, signifying his intention to propose Mr. Chirag Rajnikant Shah candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 15th December,2022 to 14th December,2027.”

“RESOLVED FURTHER THAT the Board of Directors of the company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

ITEM NO: 9 RE-APPOINTMENT OF MRS. LAJJU HEMANG SHAH AS AN INDEPENDENT DIRECTOR OF THE COMPANY FOR SECOND TERM FOR PERIOD OF FIVE YEARS:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013(“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mrs. Lajju Hemang Shah (DIN: 00057858), who holds office of Independent Director up to 14th December,2022 and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act, from a Member, signifying her intention to propose Mrs. Lajju Hemang Shah candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 15th December,2022 to 14th December,2027.”

“RESOLVED FURTHER THAT the Board of Directors of the company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

ITEM NO:10 TO APPROVE RELATED PARTY TRANSACTIONS:

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 Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (“SEBI Listing Regulations”), the applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company’s Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) basis the approval and recommendation of the Audit

Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter/continue to enter into Material Related Party Transaction(s)/ Contract(s)/Arrangement(s)/Agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with entities falling within the definition of 'Related Party' under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations ("Related Party Transactions") on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between related parties and the Company, for each of the financial years (FY) from FY 2022-23 to FY 2023-24 i.e. two financial years, such that the maximum value of the Related Party Transactions with such parties, in aggregate, does not exceed value as specified under each category for each financial year, provided that the said contract(s)/arrangement(s)/ transaction(s) shall be carried out in the ordinary course of business of the Company and in respect of transactions with related parties under Section 2(76) of the Act, are at arm's length basis."

"RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

Date: 11.06.2022
Place: Ahmedabad

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

Registered Office:

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

Sd/-
Aanal Bharatbhai Patel
Company Secretary

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 03/2022 dated May 05, 2022, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 18th AGM of the Company is being held through VC / OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, January 13, 2021, December 8, 2021 and December 14, 2021 the Company is providing facility of remote e-voting to its Members

- in respect of the business to be transacted at the AGM . For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 and SEBI Circular dated May 12, 2020, January 15, 2021, May 13, 2022 Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Notice of the AGM along with the Annual Report 2021-22 can also be accessed from the websites of the Stock Exchanges i.e. Bombay Stock Exchange of India Limited at www.bseindia.com or Website of company www.a1acid.com.
 7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021 and Circular No. 03/2022 dated May 05, 2022.
 8. The relevant details pursuant to regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed with the notice.
 9. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to csdharapatel@gmail.com (Scrutinizer), cs@a1acid.com(Company) and with a copy marked to evoting@nsdl.co.in.
 10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held by them in electronic form.
 11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.a1acid.com. Members are requested to submit the said details to their Depository Participant in case the shares are held by them in electronic form.

12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
13. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
14. Members desirous for any information or queries on accounts / financial statements or relating thereto are requested to send their queries at least seven days in advance to the Company at its registered office address to enable the Company to collect the relevant information and answer them in the Meeting.
15. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form.
16. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain close from Saturday, 2nd July, 2022 to Friday, 8th July, 2022 (both days inclusive) in connection with the Annual General Meeting and to determining the eligibility to receive the final dividend for the financial year ended March 31, 2022.
17. The Company or its Registrars and Transfer Agents, Cameo Corporate Services Limited cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts.
19. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
20. Non-Resident Members: Non Resident Indian Members are requested to inform Registrar and Transfer Agents, immediately of:
 - a. Change in their residential status on return to India for permanent settlement
 - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code, MICR No. and address of the bank, if not furnished earlier

21. The Company has fixed Friday, 1st July, 2022, as the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote in the Meeting.
22. Ms. Dhara Patel, Company Secretary in Practice (M. No: 29198, COP No.:10979) has been appointed as a Scrutinizer to scrutinize the voting and process for the Annual General Meeting in a fair and transparent manner.
23. The Explanatory Statement, pursuant to section 102 of the companies Act, 2013 setting out facts concerning the business under Item no. 4 to 10 attached with the notice.
24. All documents referred to in the notice and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 a.m. and 4.00 p.m. on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Meeting and at the venue of the Meeting for the duration of the Meeting.
25. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
26. Dividend: The final dividend for the financial year ended March 31, 2022 at the rate of 1.50 per equity share of face value of 10 each, as recommended by the Board of Directors, if approved at 18th Annual Meeting, will be paid to those Members who hold shares (100% shares of the company in demat mode), based on the beneficial ownership details to be received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, 1st July,2022. The dividend as recommended by the Board of directors and if declared at the Annual General Meeting will be paid within the specified time limit.

Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. Dividend warrants / demand drafts will be despatched to the registered address of the Members who have not updated their bank account details. Members are requested to register / update their complete bank details with their Depository Participant(s) with which they maintain their demat accounts, if shares are held in dematerialised mode, by submitting forms and documents as may be required by the Depository Participant(s);

27. Pursuant to the provisions of the Income Tax Act, 1961 (the IT Act), dividend income is taxable in the hands of the Members. Accordingly, the Company is required to deduct tax at source (TDS) from the dividend payable at the rates prescribed in the IT Act. In order to enable the Company to comply with the TDS requirements, Members are requested to ensure that their tax residential status, category (i.e. individual/company/FII/FPI etc.), PAN, email address and mobile number are duly updated with respective Depository Participant(s). An intimation referring to the documents required for deduction of tax at source on dividend payouts shall also be sent out to all the Members, prior to the record date.

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

The remote e-voting period begins on Tuesday, 5th July, 2022, 2022 at 09:00 A.M. and ends on Thursday, 7th July, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 1st July, 2022 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 1st July, 2022.

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

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





Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ Access to e-Voting ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	<ol style="list-style-type: none"> 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to

	<p>cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

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

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

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

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

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

4. Your User ID details are given below:

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

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

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

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csdharapatel@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to NSDL at evoting@nsdl.co.in

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

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

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

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

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve

the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@a1aid.com. The same will be replied by the company suitably.

**ANNEXURE TO THE NOTICE
DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE
18TH ANNUAL GENERAL MEETING
[PURSUANT TO REGULATION 36(3) OF THE SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015]**

Name of Director	Krishna Utkarsh Patel	Harshadkumar Naranbhai Patel
DIN	08685126	00302819
Date of Birth	14/11/1992	15/10/1968
Age	29 year	53 year
Date of Appointment	17/02/2020	22/04/2004
Date of Appointment at the current designation	25/09/2020	01/02/2018
Expertise in specific Functional Areas	Public relation and Business development etc.	Acquisition of materials, marketing, management, and finance functions
Qualifications	B.SC. in Hospitality and Hotel Administration	Diploma in Mechanical Engineering
Directors in other Public Companies	---	---
Other Positions	---	---
Chairmanship / Membership of Committee (s) of Board of Director of the Company.	Member in Audit committee, Stakeholder relationship committee, Nomination remuneration committee	Member in Corporate Social Responsibility committee
Membership of Committees in other unlisted Public Companies	---	---
Number of Board meeting attended during the year 2021-22	25	25
Inter Relationship	Relative (wife) of Utkarsh Harshadkumar Patel and (Daughter in law) of Harshadkumar Naranbhai Patel	Relative (Brother) of Jitendra Naranbhai Patel and (Father) of Utkarsh Harshadkumar Patel
Last Remuneration drawn	---	66.12 Lakhs
Shares held in the Company as at 31 st March, 2022	---	3139501

Name of Director	Jitendra Naranbhai Patel	Utkarsh Harshadkumar Patel
DIN	00164229	03055266
Date of Birth	27/10/1971	18/04/1991
Age	50 year	31 year
Date of Appointment	22/04/2004	30/04/2010
Date of Appointment at the current designation	01/02/2018	01/02/2018
Expertise in specific Functional Areas	Finance, administration, marketing and operational activities in our company	logistic division
Qualifications	Under Graduate	Under Graduate
Directors in other Public Companies	---	---
Other Positions	---	---
Chairmanship / Membership of Committee (s) of Board of Director of the Company.	---	--
Membership of Committees in other unlisted Public Companies	---	--
Number of Board meeting attended during the year 2021-22	25	25
Inter Relationship	Relative (Brother) Of Harshadkumar Naranbhai Patel	Relative (Son) of Harshadkumar Naranbhai Patel and (Husband) of Mrs. Krishna Utkarsh Patel
Last Remuneration drawn	48.12 Lakhs	42.12 Lakhs
Shares held in the Company as at 31 st March, 2022	3139500	885500

Name of Director	Chirag Rajnikant Shah	Lajju Hemang Shah
DIN	02165478	00057858
Date of Birth	18/11/1972	01/06/1974
Age	49 year	48 year
Date of Appointment	15/12/2017	15/12/2017
Date of Appointment at the current designation	15/12/2017	15/12/2017
Expertise in specific Functional Areas	Finance	Budget creation and strategic planning
Qualifications	Chartered Accountant	Graduate
Directors in other Public Companies	---	---
Other Positions	---	---
Chairmanship / Membership of Committee (s) of Board of Director of the Company.	Chairman of Audit committee, Stakeholder relationship committee, Nomination remuneration committee, CSR committee	Member in Audit committee, Stakeholder relationship committee, Nomination remuneration committee,
Membership of Committees in other unlisted Public Companies	---	--
Number of Board meeting attended during the year 2021-22	11	11
Inter Relationship	Not related to any person of the company	Not related to any person of the company
Last Remuneration drawn	---	---
Last sitting paid (f.y.2021-22)	0.33 Lakhs	0.33 Lakhs
Shares held in the Company as at 31 st March, 2022	---	---
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Mr. Chirag Rajnikant Shah is qualified Chartered accountant and having more than 10 years of experience in the business of chemical and he meet all the skills and capabilities required for the independent director	Mrs. Lajju Hemang Shah is graduate and having wide experience in the field of Budget creation and strategic planning and she meet all the skills and capabilities required for the independent director

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

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

ITEM NO:4: APPROVAL OF REMUNERATION PAID TO MRS. KRISHNA UTKARSH PATEL:

Mrs. Krishna Utkarsh Patel was appointed as Non-executive director w. e. f. 17th February, 2020. Keeping in view that Mrs. Krishna Utkarsh Patel having wide experience in the field of public relations and business development department, the board of directors on the recommendation of Nomination and remuneration committee approved to pay remuneration upto Rs. 50,000 (Rupees Fifty Thousand Only) per month to Mrs. Krishna Utkarsh Patel subject to approval of members. As per Regulation 17(ca) of SEBI (LODR) Regulations,2015 the approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors. As in the company there are five non-executive directors and out of them four are non-executive independent directors to whom company is paying only sitting fees in the company. So the remuneration payable to Mrs. Krishna Utkarsh Patel require approval of shareholder's by passing special resolution.

Mrs. Krishna Utkarsh Patel and her relative Mr. Utkarsh Harshadkumar Patel are financially or otherwise, concerned or interested in the resolution being related party.

Save and except as above, none of the other Directors of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Directors recommend the aforesaid resolution for approval by the members as Special resolution.

STATEMENT PURSUANT TO CLAUSE (B) OF SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013

i. GENERAL INFORMATION

1.	Nature of Industry	Chemical industry
2.	Date or Expected Date of Commencement of Commercial Production	The Commercial production is already started.
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus.	Not Applicable

4.	Financial performance based on given indicators.	Particulars	2021-22 (Rs. In Lacs)	2020-21 (Rs. In Lacs)
			(standalone)	(standalone)
		Total Income	31,436.85	14,903.41
		Profit Before Tax, Financial Cost and Depreciation	1303.69	768.4
		Depreciation	334.66	280.86
		Finance Cost	120.66	72.07
		Profit Before Tax	848.37	415.47
		Tax	217.85	142.45
		Profit After Tax	630.52	273.02
		Equity Capital 1,15,00,000 Equity Share Capital of Rs. 10	1150.00	1000.00
		Earnings per share (Rs.)	5.48	2.37
5.	Export performance based on given indicators.	Particulars	2021-22 (Rs. In Lacs)	2020-21 (Rs. In Lacs)
		Foreign Exchange Earning	--	--
		Foreign Exchange Outgo	--	--
6.	Foreign Investments or Collaborators, if any.	The Company did not have any foreign Investments or collaborations.		

ii. INFORMATION ABOUT THE APPOINTEE:

1. Background Details:

Mrs. Krishna Utkarsh Patel has completed her B.SC. in Hospitality and Hotel Administration. She has invested her efforts, dedication, Knowledge, and experience in the acid industry. She has 4 years' experience in the business. She is a visionary entrepreneur who is well versed with industry.

2. Recognition or awards:

Mrs. Krishna Utkarsh Patel is well recognized for her visionary and entrepreneur skill in managing business activities and has been efficiently managing overall affairs of the Company.

3. Job Profile and her suitability:

In the capacity of Director of the Company Mrs. Krishna Utkarsh Patel shall be responsible for handling Public relation and Business development department of the Company's as well as operations or such other roles and responsibilities as may be assigned to her by the Board from time to time.

4. Remuneration proposal:

Remuneration upto Rs. 50,000/- (Rupees Fifty Thousand only) per month inclusive of all perks and facilities.

5. Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person.

Since the Company is involved in variety of products, it would not be possible to compare the remuneration in similar type of Industry.

6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mrs. Krishna Utkarsh Patel along with her relatives 7.7% holding equity shares capital of the company. Accordingly, She may be deemed having pecuniary relation, directly and indirectly, with the company.

iii. OTHER INFORMATION:

1. Reasons of Loss or Inadequate Profits:

Company is primarily engaged in acid industry for dealing in products wherein margins remain stretched.

2. Step taken or proposed to be taken for improvement:

Focus has been placed to increase more customers so as to increase the sales turnover of the Company and this will result into increase in the profit of the Company.

3. Expected increase in productivity and profit in measurable terms:

Looking at the past performance and efforts being made during the year, the Company is expecting to achieve at least current growth.

ITEM NO: 5

TO RE-APPOINT AND INCREASE REMUNERATION OF MR. HARSHADKUMAR NARANBHAI PATEL AS MANAGING DIRECTOR:

Mr. Harshadkumar Naranbhai Patel is Chairman and Managing director of the Company and is having over 25 years of experience in the field of chemical industries.

His term of office will expire on 31st January, 2023. Looking into his knowledge of various aspects relating to the Company's affairs and business experience and on the recommendation of the Nomination & Remuneration Committee, the Board of Directors at their meeting held on 11th June, 2022 was of the opinion that for smooth and efficient running of the business, the services of Mr. Harshadkumar Naranbhai Patel should be continued to be available to the Company and reappointed him as Managing Director of the Company for a further period of five years with effect from 1st February, 2023 to 31st January, 2028 on following remuneration and other terms and conditions subject to the approval of the Members of the Company.

The details of remuneration payable to Mr. Harshadkumar Naranbhai Patel and the terms and conditions of the appointment are given below:

I. Period:

For a period of 5 years from 01.02.2023.

II. Remuneration:

Rs. 6,01,000 (Rupees Six lakhs one Thousands only) per month w.e.f. 1st August,2022 subject to revision from time to time.

III. Perquisites:

The Managing Director shall be entitled to all the perquisites listed herein below in addition to the salary mentioned above.

- i. Medical Re-imburement:** Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalisation, surgical charges, nursing charges and domiciliary charges for self and for family.
- ii. Leave Travel Concession:** For self and family every year incurred in accordance with the rules of the Company.
- iii. Provident Fund/Pension:** Contribution to Provident Fund and Pension Fund to the extent such contributions, either singly or put together are exempt under the Income Tax Act, 1961. Contribution to Pension Fund will be paid on basic salary and commission.
- iv. Gratuity:** Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act and to the extent not taxable under the Income Tax law.
- v. Use of Car with Driver:** The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the Whole-time Director for business and personal use.
- vi. Telephone facility at residence:** Telephone facility shall be provided at the residence. All personal long distance calls shall be billed by the Company to the Managing Director.

IV. Duties:

Subject to the superintendence, direction, and control of the Board of Directors of the Company, the Managing Director shall be entrusted with HRD, Procurements and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time.

V. TERMINATION:

Managing Director may be removed from his office for gross negligence, breach of duty or trust if a special Resolution to that effect is passed by the Company in its General Meeting. The Managing Director may resign from his office by giving 90 days' Notice to the Company.

VI. COMPENSATION:

In the event of termination of office of Managing Director takes place before the expiration of tenure thereof, Whole-time Director of the Company shall be entitled to receive

compensation from the Company for loss of office to extent and subject to limitation as provided under Section 202 of the Companies Act, 2013.

VII. Other terms and conditions:

- a) In the event of absence or inadequacy of profits in any financial year during the tenure of the Whole-time Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.
- b) "Family" means the spouse and dependent children of Mr. Utkarsh Harshadkumar Patel Leave with full pay and allowances shall be allowed as per the Company's rules.
- c) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.

The perquisites as listed in para (III) above shall be valued as per the Income Tax Rules, 1962, as may be applicable.

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

STATEMENT PURSUANT TO CLAUSE (B) OF SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013

i. GENERAL INFORMATION

1.	Nature of Industry	Chemical industry		
2.	Date or Expected Date of Commencement of Commercial Production	The Commercial production is already started.		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus.	Not Applicable		
4.	Financial performance based on given indicators.	Particulars	2021-22 (Rs. In Lacs)	2020-21 (Rs. In Lacs)
			(standalone)	(standalone)
		Total Income	31,436.85	14,903.41
		Profit Before Tax, Financial Cost and Depreciation	1303.69	768.4
		Depreciation	334.66	280.86
		Finance Cost	120.66	72.07

		Profit Before Tax	848.37	415.47
		Tax	217.85	142.45
		Profit After Tax	630.52	273.02
		Equity Capital 1,15,00,000 Equity Share Capital of Rs. 10	1150.00	1000.00
		Earnings per share (Rs.)	5.48	2.37
5.	Export performance based on given indicators.	Particulars	2021-22 (Rs. In Lacs)	2020-21 (Rs. In Lacs)
		Foreign Exchange Earning	--	--
		Foreign Exchange Outgo	--	--
6.	Foreign Investments or Collaborators, if any.	The Company did not have any foreign Investments or collaborations.		

ii. **INFORMATION ABOUT THE APPOINTEE:**

1. Background Details:

Mr. Harshadkumar Naranbhai Patel has completed his Diploma in Mechanical Engineering. He has invested his efforts, dedication, Knowledge, and experience in the acid industry. He has 25 years' experience in the business. He is a visionary entrepreneur who is well versed with industry.

2. Recognition or awards:

Mr. Harshadkumar Naranbhai Patel is well recognized for his visionary and entrepreneur skill in managing business activities and has been efficiently managing overall affairs of the Company.

3. Job Profile and his suitability:

In the capacity of Director of the Company Mr. Harshadkumar Naranbhai Patel shall be responsible for Acquisition of materials, marketing, management, and finance functions of the Company's as well as operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

4. Remuneration proposal:

Remuneration upto Rs. 6,01,000/- (Rupees Six Lakhs One Thousand only) per month inclusive of all perks and facilities.

5. Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person.

Since the Company is involved in variety of products, it would not be possible to compare the remuneration in similar type of Industry.

6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Harshadkumar Naranbhai Patel along with his relatives 70% holding equity shares capital of the company. Accordingly, He may be deemed having pecuniary relation,

directly and indirectly, with the company.

iii. OTHER INFORMATION:

1. Reasons of Loss or Inadequate Profits:

Company is primarily engaged in acid industry for dealing in products wherein margins remain stretched.

2. Step taken or proposed to be taken for improvement:

Focus has been placed to increase more customers so as to increase the sales turnover of the Company and this will result into increase in the profit of the Company.

3. Expected increase in productivity and profit in measurable terms:

Looking at the past performance and efforts being made during the year, the Company is expecting to achieve at least current growth.

ITEM NO: 6: TO RE-APPOINT AND INCREASE REMUNERATION OF MR. JITENDRA NARANBHAI PATEL AS WHOLETIME DIRECTOR:

Mr. Jitendra Naranbhai Patel is a promoter and whole-time Director of the Company and is having over 20 years of experience in the field of Acid industries.

His term of office will expire on 31st January, 2023. Looking into his knowledge of various aspects relating to the Company's affairs and business experience and on the recommendation of the Nomination & Remuneration Committee, the Board of Directors at their meeting held on 11th June, 2022 was of the opinion that for smooth and efficient running of the business, the services of Mr. Jitendra Naranbhai Patel should be continued to be available to the Company and reappointed him as Whole-time Director of the Company for a further period of five years with effect from 1st February, 2023 to 31st January,2028 on following remuneration and other terms and conditions subject to the approval of the Members of the Company.

The details of remuneration payable to Mr. Jitendra Naranbhai Patel, and the terms and conditions of the appointment are given below:

I. Period:

For a period of 5 years from 01.02.2023.

II. Remuneration:

Rs. 4,71,000 (Rupees Four Lakhs Seventy-One Thousand only) per month w.e.f. 1st August,2022 subject to revision from time to time.

III. Perquisites:

The Whole-time Director shall be entitled to all the perquisites listed herein below in addition to the salary mentioned above;

vii. Medical Re-imbusement:

Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalisation, surgical charges, nursing charges and domiciliary charges for self and for family.

viii. Leave Travel Concession:

For self and family every year incurred in accordance with the rules of the Company.

ix. Provident Fund/Pension: Contribution to Provident Fund and Pension Fund to the extent such contributions, either singly or put together are exempt under the Income Tax Act, 1961. Contribution to Pension Fund will be paid on basic salary and commission.

x. Gratuity: Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act and to the extent not taxable under the Income Tax law.

xi. Use of Car with Driver:

The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the Whole-time Director for business and personal use.

xii. Telephone facility at residence:

Telephone facility shall be provided at the residence. All personal long distance calls shall be billed by the Company to the Whole-time Director.

IV. Duties:

Subject to the superintendence, direction, and control of the Board of Directors of the Company, the Whole-time Director shall be entrusted with HRD, Procurements and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time.

V. Termination:

Whole-time Director may be removed from his office for gross negligence, breach of duty or trust if a special Resolution to that effect is passed by the Company in its General Meeting. The Whole-time Director may resign from his office by giving 90 days' Notice to the Company.

VI. Compensation:

In the event of termination of office of Whole-time Director takes place before the expiration of tenure thereof, Whole-time Director of the Company shall be entitled to receive compensation from the Company for loss of office to extent and subject to limitation as provided under Section 202 of the Companies Act, 2013.

VII. Other terms and conditions:

d) In the event of absence or inadequacy of profits in any financial year during the tenure of the Whole-time Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.

- e) "Family" means the spouse and dependent children of Mr. Jitendra Naranbhai Patel Leave with full pay and allowances shall be allowed as per the Company's rules.
- f) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
- g) The perquisites as listed in para (III) above shall be valued as per the Income Tax Rules, 1962, as may be applicable.

Mr. Jitendra Naranbhai Patel and his relatives Mrs. Binduben Jitendrabhai Patel, Mrs. Krishnaben Naranbhai Patel, Ms. Keta Jitendrakumar Patel, Mr. Anant Jitendra Patel and Harshadkumar Naranbhai Patel are financially or otherwise, concerned or interested in the resolution being related party. The Directors recommend the aforesaid resolution for approval by the members as Special resolution.

STATEMENT PURSUANT TO CLAUSE (B) OF SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013

i. GENERAL INFORMATION

1.	Nature of Industry	Chemical industry		
2.	Date or Expected Date of Commencement of Commercial Production	The Commercial production is already started.		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus.	Not Applicable		
4.	Financial performance based on given indicators.	Particulars	2021-22 (Rs. In Lacs)	2020-21 (Rs. In Lacs)
			(standalone)	(standalone)
		Total Income	31,436.85	14,903.41
		Profit Before Tax, Financial Cost and Depreciation	1303.69	768.4
		Depreciation	334.66	280.86
		Finance Cost	120.66	72.07
		Profit Before Tax	848.37	415.47
		Tax	217.85	142.45
		Profit After Tax	630.52	273.02
		Equity Capital 1,15,00,000 Equity Share Capital of Rs. 10	1150.00	1000.00
Earnings per share (Rs.)	5.48	2.37		
5.	Export performance based	Particulars	2021-22	2020-21

	on given indicators.		(Rs. In Lacs)	(Rs. In Lacs)
		Foreign Exchange Earning	--	--
		Foreign Exchange Outgo	--	--
6.	Foreign Investments or Collaborators, if any.	The Company did not have any foreign Investments or collaborations.		

ii. INFORMATION ABOUT THE APPOINTEE:

1. Background Details:

Mr. Jitendra Naranbhai Patel has completed his Higher secondary. He has invested his efforts, dedication, Knowledge, and experience in the acid industry. He has 20 years' experience in the business. He is a visionary entrepreneur who is well versed with industry.

2. Recognition or awards:

Mr. Jitendra Naranbhai Patel is well recognized for his visionary and entrepreneur skill in managing business activities and has been efficiently managing overall affairs of the Company.

3. Job Profile and his suitability:

In the capacity of Director of the Company Mr. Jitendra Naranbhai Patel shall be responsible for handling of finance, administration, marketing and operational activities of the Company's as well as operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

4. Remuneration proposal:

Remuneration upto Rs. 4,71,000/- (Rupees Four Lakhs Seventy-One thousand only) per month inclusive of all perks and facilities.

5. Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person.

Since the Company is involved in variety of products, it would not be possible to compare the remuneration in similar type of Industry.

6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Jitendra Naranbhai Patel along with his relatives holding approx. 62.3% equity shares capital of the company. Accordingly, He may be deemed having pecuniary relation, directly and indirectly, with the company.

iii. OTHER INFORMATION:

1. Reasons of Loss or Inadequate Profits:

Company is primarily engaged in acid industry for dealing in products wherein margins remain stretched.

2. Step taken or proposed to be taken for improvement:

Focus has been placed to increase more customers so as to increase the sales turnover of the Company and this will result into increase in the profit of the Company.

3. Expected increase in productivity and profit in measurable terms:

Looking at the past performance and efforts being made during the year, the Company is expecting to achieve at least current growth.

ITEM NO: 7: TO RE-APPOINT AND INCREASE REMUNERATION OF MR. UTKARSH HARSHADKUMAR PATEL AS WHOLETEIME DIRECTOR:

Mr. Utkarsh Harshadkumar Patel is whole-time Director of the Company and is having over 12 years of experience in the field of chemical industries.

His term of office will expire on 31st January, 2023. Looking into his knowledge of various aspects relating to the Company's affairs and business experience and on the recommendation of the Nomination & Remuneration Committee, the Board of Directors at their meeting held on 11th June, 2022 was of the opinion that for smooth and efficient running of the business, the services of Mr. Utkarsh Harshadkumar Patel should be continued to be available to the Company and reappointed him as whole-time Director of the Company for a further period of five years with effect from 1st February, 2023 to 31st January,2028 on following remuneration and other terms and conditions subject to the approval of the Members of the Company.

The details of remuneration payable to Mr. Utkarsh Harshadkumar Patel and the terms and conditions of the appointment are given below:

i. Period:

For a period of 5 years from 01.02.2023.

ii. Remuneration:

Rs. 4,21,000 (Rupees Four Lakhs Twenty-One Thousand only) per month w.e.f. 1st August, 2022 subject to revision from time to time.

iii. Perquisites:

The Whole-time Director shall be entitled to all the perquisites listed herein below in addition to the salary mentioned above;

iv. Medical Re-imburement: Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalisation, surgical charges, nursing charges and domiciliary charges for self and for family.

v. Leave Travel Concession: For self and family every year incurred in accordance with the rules of the Company.

- vi. **Provident Fund/Pension:** Contribution to Provident Fund and Pension Fund to the extent such contributions, either singly or put together are exempt under the Income Tax Act, 1961. Contribution to Pension Fund will be paid on basic salary and commission.
- vii. **Gratuity:** Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act and to the extent not taxable under the Income Tax law.
- viii. **Use of Car with Driver:** The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the Whole-time Director for business and personal use.
- ix. **Telephone facility at residence:** Telephone facility shall be provided at the residence. All personal long distance calls shall be billed by the Company to the Whole-time Director.

VIII. Duties:

Subject to the superintendence, direction, and control of the Board of Directors of the Company, the Whole-time Director shall be entrusted with HRD, Procurements and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time.

IX. TERMINATION:

Whole-time Director may be removed from his office for gross negligence, breach of duty or trust if a special Resolution to that effect is passed by the Company in its General Meeting. The Whole-time Director may resign from his office by giving 90 days' Notice to the Company.

X. COMPENSATION:

In the event of termination of office of Whole-time Director takes place before the expiration of tenure thereof, Whole-time Director of the Company shall be entitled to receive compensation from the Company for loss of office to extent and subject to limitation as provided under Section 202 of the Companies Act, 2013.

XI. Other terms and conditions:

h) In the event of absence or inadequacy of profits in any financial year during the tenure of the Whole-time Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.

i) "Family" means the spouse and dependent children of Mr. Utkarsh Harshadkumar Patel Leave with full pay and allowances shall be allowed as per the Company's rules.

j) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.

The perquisites as listed in para (III) above shall be valued as per the Income Tax Rules, 1962, as may be applicable.

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

STATEMENT PURSUANT TO CLAUSE (B) OF SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION

1.	Nature of Industry	Chemical industry		
2.	Date or Expected Date of Commencement of Commercial Production	The Commercial production is already started.		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus.	Not Applicable		
4.	Financial performance based on given indicators.	Particulars	2021-22 (Rs. In Lacs)	2020-21 (Rs. In Lacs)
			(standalone)	(standalone)
		Total Income	31,436.85	14,903.41
		Profit Before Tax, Financial Cost and Depreciation	1303.69	768.4
		Depreciation	334.66	280.86
		Finance Cost	120.66	72.07
		Profit Before Tax	848.37	415.47
		Tax	217.85	142.45
		Profit After Tax	630.52	273.02
		Equity Capital 1,15,00,000 Equity Share Capital of Rs. 10	1150.00	1000.00
		Earnings per share (Rs.)	5.48	2.37
5.	Export performance based on given indicators.	Particulars	2021-22 (Rs. In Lacs)	2020-21 (Rs. In Lacs)
		Foreign Exchange Earning	--	--
		Foreign Exchange Outgo	--	--
6.	Foreign Investments or Collaborators, if any.	The Company did not have any foreign Investments or collaborations.		

ii. INFORMATION ABOUT THE APPOINTEE:

1. Background Details:

Mr. Utkarsh Harshadkumar Patel has completed higher secondary education and invested his efforts, dedication, Knowledge, and experience in the acid industry. He has 12 years' experience in the business. He is a visionary entrepreneur who is well versed with industry.

2. Recognition or awards:

Mr. Utkarsh Harshadkumar Patel is well recognized for his visionary and entrepreneur skill in managing business activities and has been efficiently managing overall affairs of the Company.

3. Job Profile and his suitability:

In the capacity of Director of the Company Mr. Utkarsh Harshadkumar Patel shall be responsible for handling logistic division of the Company as well as operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

4. Remuneration proposal:

Remuneration upto Rs. 4,21,000/- (Rupees four Lakhs twenty-one thousand One only) per month inclusive of all perks and facilities.

5. Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person.

Since the Company is involved in variety of products, it would not be possible to compare the remuneration in similar type of Industry.

6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Utkarsh Harshadkumar Patel along with his relatives holding approx. 35% equity shares capital of the company. Accordingly, He may be deemed having pecuniary relation, directly and indirectly, with the company.

iii. OTHER INFORMATION:

1. Reasons of Loss or Inadequate Profits:

Company is primarily engaged in acid industry for dealing in products wherein margins remain stretched.

2. Step taken or proposed to be taken for improvement:

Focus has been placed to increase more customers so as to increase the sales turnover of the Company and this will result into increase in the profit of the Company.

3. Expected increase in productivity and profit in measurable terms:

Looking at the past performance and efforts being made during the year, the Company is expecting to achieve at least current growth.

ITEM NO: 8: RE-APPOINTMENT OF MR. CHIRAG RAJNIKANT SHAH AS AN INDEPENDENT DIRECTOR OF THE COMPANY FOR SECOND TERM FOR PERIOD OF FIVE YEARS:

Mr. Chirag Rajnikant Shah was appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Extra Ordinary Meeting held on 15th December, 2017, w.e.f. 15th December, 2017 to hold office upto 14th December, 2022 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act.

The Nomination & Remuneration Committee at its Meeting held on 11th June, 2022 after taking into account the performance evaluation of these Independent Directors, during their first term of five years and considering the knowledge, acumen, expertise and experience in their respective fields and the substantial contribution made by these Directors during their tenure as an Independent Director since their appointment, has recommended to the Board that continued association of these Directors as an Independent Directors would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of these Directors as Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years and not liable to retire by rotation.

Second term of Five consecutive years of Mr. Chirag Rajnikant Shah will commence from 15th December, 2022 upto 14th December, 2027.

The Company has received from Mr. Chirag Rajnikant Shah.

- i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and
- (iii) declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. Chirag Rajnikant Shah fulfills the conditions for appointment as Independent Directors as specified in the Act and the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015. Mr. Chirag Rajnikant Shah are independent of the management.

Brief resume of Mr. Chirag Rajnikant Shah, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter se as stipulated under SEBI (LODR) Regulations, 2015 are provided in annexure to the notice.

Mr. Chirag Rajnikant Shah is not holding any shares in the Company directly or and through any other person. He is not related to any other Director or KMP of the Company.

Except Mr. Chirag Rajnikant Shah being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015 with the Stock Exchange.

The above proposals are in the interest of the Company and the Board of the Company thus recommends these resolutions for approval of the Members of the Company as a Special Resolutions.

ITEM NO: 9: RE-APPOINTMENT OF MRS. LAJJU HEMANG SHAH AS AN INDEPENDENT DIRECTOR OF THE COMPANY FOR SECOND TERM FOR PERIOD OF FIVE YEARS:

Mrs. Lajju Hemang Shah was appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Extra Ordinary Meeting held on 15th December, 2017, w.e.f. 15th December, 2017 to hold office upto 14th December, 2022 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act.

The Nomination & Remuneration Committee at its Meeting held on 11th June, 2022 after taking into account the performance evaluation of these Independent Directors, during their first term of five years and considering the knowledge, acumen, expertise and experience in their respective fields and the substantial contribution made by these Directors during their tenure as an Independent Director since their appointment, has recommended to the Board that continued association of these Directors as an Independent Directors would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of these Directors as Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years and not liable to retire by rotation.

Second term of Five consecutive years of Mrs. Lajju Hemang Shah will commence from 15th December, 2022 upto 14th December, 2027.

The Company has received from Mrs. Lajju Hemang Shah.

- i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and
- (iii) declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mrs. Lajju Hemang Shah fulfills the conditions for appointment as Independent Directors as specified in the Act and the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015. Mrs. Lajju Hemang Shah are independent of the management.

Brief resume of Mrs. Lajju Hemang Shah nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter se as stipulated under SEBI (LODR) Regulations, 2015 are provided in annexure to the notice.

Mrs. Lajju Hemang Shah is not holding any shares in the Company directly or and through any other person. She is not related to any other Director or KMP of the Company.

Except Mrs. Lajju Hemang Shah being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 9.

This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015 with the Stock Exchange.

The above proposals are in the interest of the Company and the Board of the Company thus recommends these resolutions for approval of the Members of the Company as a Special Resolutions.

ITEM NO: 10: TO APPROVE RELATED PARTY TRANSACTIONS:

Under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Material related party transactions require shareholder's approval by way of a Resolution. The said Regulation defines the term "material" as follows:

A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees 1000 Crore or ten percent of the annual turnover of the listed entity as per the last audited financial statements of the listed entity whichever is lower.

The Board at its meeting held on 11th June,2022 had accorded an approval for the material transactions with related parties in the ordinary course of business and at arm's length for FY 2022-23 and FY 2023-24. Your company hereby proposes limits for following material related party transactions limits that to be enter into between company and related party for approval of members.

Name of the related party	Harshadkumar Naranbhai Patel
Relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Managing Director
Type of the proposed transaction	Rent Paid
Material terms and particulars of the proposed transaction	Rent Paid
Tenure of the proposed transaction (particular tenure shall be specified);	2 year
Value of the proposed transaction;	Rent paid: Upto Rs. 35 Lakhs per year
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	0.09%
If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, <ul style="list-style-type: none"> • nature of indebtedness; • cost of funds; and • tenure; iii) applicable terms, including covenants, tenure, interest rate and repayment	NA

schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	
Justification as to why the RPT is in the interest of the listed entity;	The Company is paying rent to Mr. Harshadkumar Naranbhai Patel at the rate which are generally prevailed by others in the open Market in the particular area.
A copy of the valuation or other external party report, if any such report has been relied upon	Not applicable
Any other information that may be relevant	---

Name of the related party	JITENDRA NARANBHAI PATEL
Relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Whole time Director
Type of the proposed transaction	Rent Paid
Material terms and particulars of the proposed transaction	Rent Paid
Tenure of the proposed transaction (particular tenure shall be specified);	2 year
Value of the proposed transaction;	Rent paid: Upto Rs. 40 Lakhs per year
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	0.10%
If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, <ul style="list-style-type: none"> • nature of indebtedness; • cost of funds; and 	NA

<ul style="list-style-type: none"> • tenure; iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	
Justification as to why the RPT is in the interest of the listed entity;	The Company is paying rent to Mr. Jitendra Naranbhai Patel at the rate which are generally prevailed by others in the open Market in the particular area.
A copy of the valuation or other external party report, if any such report has been relied upon	Not applicable
Any other information that may be relevant	---

Name of the related party	KRISHNABEN NARANBHAI PATEL
Relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Relative of Managing Director and Whole time Director
Type of the proposed transaction	Rent Paid
Material terms and particulars of the proposed transaction	Rent Paid
Tenure of the proposed transaction (particular tenure shall be specified);	2 year
Value of the proposed transaction;	Rent paid: Upto Rs.25 Lakhs per year
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	0.05%
If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, inter-	NA

<p>corporate deposits, advances or investments,</p> <ul style="list-style-type: none"> • nature of indebtedness; • cost of funds; and • tenure; <p>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	
Justification as to why the RPT is in the interest of the listed entity;	The Company is paying rent to Mrs. Krishnaben Naranbhai Patel at the rate which are generally prevailed by others in the open Market in the particular area.
A copy of the valuation or other external party report, if any such report has been relied upon	Not applicable
Any other information that may be relevant	---

Name of the related party	BINDUBEN JITENDRAKUMAR PATEL
Relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Relative of Whole time Director
Type of the proposed transaction	Rent Paid
Material terms and particulars of the proposed transaction	Rent Paid
Tenure of the proposed transaction (particular tenure shall be specified);	2 year
Value of the proposed transaction;	Rent paid: Upto Rs. 15 Lakhs per year
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	0.03%
If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	NA

<p>i) details of the source of funds in connection with the proposed transaction;</p> <p>ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,</p> <ul style="list-style-type: none"> • nature of indebtedness; • cost of funds; and • tenure; <p>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	
Justification as to why the RPT is in the interest of the listed entity;	The Company is paying rent to Mrs. Binduben Jitednrakumar Patel at the rate which are generally prevailed by others in the open Market in the particular area.
A copy of the valuation or other external party report, if any such report has been relied upon	Not applicable
Any other information that may be relevant	---

Name of the related party	RITABEN HARSHADKUMAR PATEL
Relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Relative of Managing Director
Type of the proposed transaction	Rent Paid
Material terms and particulars of the proposed transaction	Rent Paid
Tenure of the proposed transaction (particular tenure shall be specified);	2 year
Value of the proposed transaction;	Rent paid: Upto Rs. 15 Lakhs per year
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	0.03%

<p>If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:</p> <p>i) details of the source of funds in connection with the proposed transaction;</p> <p>ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,</p> <ul style="list-style-type: none"> • nature of indebtedness; • cost of funds; and • tenure; <p>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	NA
Justification as to why the RPT is in the interest of the listed entity;	The Company is paying rent to Mrs. Ritaben Harshadkumar Patel at the rate which are generally prevailed by others in the open Market in the particular area.
A copy of the valuation or other external party report, if any such report has been relied upon	Not applicable
Any other information that may be relevant	---

Name of the related party	Numeron Multicuisine Restaurant
Relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Entities controlled by Wholetime director
Type of the proposed transaction	Sales promotion
Material terms and particulars of the proposed transaction	Sales promotion
Tenure of the proposed transaction (particular tenure shall be specified);	2 year
Value of the proposed transaction;	Rent paid: Upto Rs. 50 Lakhs per year
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT	0.001%

involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	
If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, <ul style="list-style-type: none"> • nature of indebtedness; • cost of funds; and • tenure; iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	NA
Justification as to why the RPT is in the interest of the listed entity;	The Company is making payment to Numeron Multicuisine Restaurant as company availed service from Related party.
A copy of the valuation or other external party report, if any such report has been relied upon	Not applicable
Any other information that may be relevant	---

By Order of the Board of Directors,

Date:11.06.2022

Place: Ahmedabad

Sd/-
Aanal Bharatbhai Patel
Company Secretary

DIRECTORS' REPORT

To,
The Members,
A-1 ACID LIMITED

The Directors present the 18th Annual report of the Company along with the audited financial statements for the financial year ended March 31, 2022.

FINANCIAL PERFORMANCE:

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

Particulars	Standalone		Consolidated	
	Financial Year	Financial Year	Financial Year	Financial Year
	2021-22	2020-21	2021-22	2020-21
	(FY 2022)	(FY 2021)	(FY 2022)	(FY 2021)
Revenue from Operations	31036.04	14518.35	31036.04	14518.35
Other Income	400.81	385.06	400.81	385.06
Total revenue	31436.85	14903.41	31436.85	14903.41
Operating Profit (Before Finance Cost , Depreciation & Amortisation and Exceptional items and Tax Expense)	1303.69	768.4	1318.3	768.4
Less: Finance Cost	120.66	72.07	120.66	72.07
Profit before Depreciation & Amortisation and Exceptional items and Tax Expense	1183.04	696.33	1197.64	696.33
Less: Depreciation & Amortisation	334.66	280.86	334.66	280.86
Profit before Exceptional and Extraordinary item and Tax	848.37	415.47	862.98	415.47
Less: Exceptional items (Impairment Loss)	0.00	0.00	0.00	0.00
Profit before Tax	848.37	415.47	862.98	415.47
Less: Net Current Tax Expense pertaining to current year	228.81	97.42	228.81	97.42
Less/(Add): Tax Adjustments of earlier year	0.00	4.77	0.00	4.77
Less/(Add): Deferred Tax	(10.96)	40.26	(10.96)	40.26
Profit after Tax	630.52	273.02	645.13	273.02
Share of Profit/ (loss) from associate	--	--	(14.61)	0.00

Net profit after tax and share of profit/(loss) from Associate	--	--	630.52	273.02
Other Comprehensive income/(loss) Net of tax	--	--	--	--
Total Comprehensive income/(loss) Net of tax	630.52	273.02	630.52	273.02
Earnings per share for continuing operation				
Basic	5.48	2.37	5.48	2.37
Diluted	5.48	2.37	5.48	2.37

DIVIDEND:

The Board of Directors have recommended a final dividend of Rs. 1.50 per share on 1,15,00,000 equity shares of Rs. 10/- each fully paid for the year ended on 31.03.2022, to be paid subject to the approval of the members at the ensuing Annual General Meeting.

Since there was no unpaid / unclaimed dividend in the Company, the Company is not required to transfer any amount to the Investor Education and Protection Fund as required under the provision of Section 125 of the Companies Act, 2013.

TRANSFER TO RESERVE& SURPLUS:

The standalone and consolidated net profit of the company for F.Y. 2021-22 is Rs. 630.52 Lakhs. The profit of F.Y. 2021-22 has been transferred to the surplus account.

COMPANY'S PERFORMANCE AND STATE OF AFFAIRS:

On a standalone basis, the revenue from operations for FY 2021-22 was Rs.31036.04 Lakhs over the previous year's revenue from operations of Rs.14518.35 Lakhs which is 113.77% more than previous year revenue from operations. Net Profit after tax for FY 2021-22 was Rs. 630.52 Lakhs against the previous year's Net Profit after tax of Rs. 273.02 Lakhs.

On a consolidated basis, the revenue from operations for FY 2021-22 was Rs.31036.04 Lakhs over the previous year's revenue from operations of Rs.14518.35 Lakhs which is 113.77% more than previous year revenue from operations. Net Profit after tax for FY 2021-22 was Rs. 630.52 Lakhs against the previous year's Net Profit after tax of Rs. 273.02 Lakhs.

On standalone basis Earnings per Share for FY 2021-22 was Rs. 5.48 against the previous year's Earnings per Share of Rs. 2.37.

On consolidated basis Earnings per Share for FY 2021-22 was Rs. 5.48 against the previous year's Earnings per Share of Rs. 2.37.

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

QUALITY INITIATIVE:

The Company continues to sustain its commitment to the highest levels of quality, superior product management and mature business continuity management. Our customer-centricity, process rigor, and focus on delivery excellence have resulted in consistent improvements in customer satisfaction levels.

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

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

SHARE CAPITAL:

During the period under review, there has been change in the authorised share capital and paid up share capital of the Company which stands at Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crore only) equity shares of Rs. 10/- each and Rs. 11,50,00,000/- (Rupees Eleven Crore Fifty Lakhs only) divided into 1,15,00,000 (One Crore Fifteen Lakhs) equity shares of Rs. 10/- each respectively.

The paid up share capital of the company increased from Rs. 10,00,00,000 to Rs. 11,50,00,000 by allotment of 15,00,000 Bonus equity shares of Rs. 10 each on 20th August, 2021 in the ratio of 3 equity shares as bonus shares for holding every 20 equity shares.

LISTING INFORMATION:

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

The company obtained shareholders' approval by postal ballot regarding migration from SME platform to main board of BSE on 7th March, 2022 and obtained in principal approval from Bombay stock exchange on 18th April, 2022. Also the company obtained board approval regarding listing at NSE main board on 27th April, 2022.

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 2022-23 has been paid.

DEPOSITS FROM PUBLIC:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance

sheet as per section 73 and 76 of the companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

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

UTILIZATION OF IPO FUND:

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

CHANGE IN THE NATURE OF BUSINESS:

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

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

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

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

M/s. S V R P & CO. is the internal auditor of the Company for the F.Y. 2021-22 who conducts Internal audit and submit reports to the Audit Committee. The Internal Audit is processed to design to review the adequacy of internal control checks in the system and covers all significant areas of the Company's operations. The Audit Committee reviews the effectiveness of the Company's internal control system.

DETAILS OF HOLDING, SUBSIDIARY AND ASSOCIATES:

The Company has 1 Associate Company namely A-1 Sureja Industries as on March 31, 2022. There are no subsidiary or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is appended as *Annexure-I* to the Board's report.

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

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

Sr. No.	Particulars	Comments
(A)	Conservation of energy	
(i)	The steps taken or impact on conservation of energy;	Energy conservation is very important for the company and therefore, energy conservation measures are undertaken wherever practicable in its plant and attached facilities. The Company is making every effort to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient equipment's with latest technologies. Impact on conservation of energy was that the electricity load expenses reduced.
(ii)	The steps taken by the Company for utilizing alternate sources of energy;	Nil
(iii)	The capital investment on energy conservation equipment	Nil
(B)	Technology absorption	
(i)	The efforts made towards technology absorption	Your Company firmly believes that adoption and use of technology is a fundamental business requirement for carrying out business effectively and efficiently. While the industry is labour intensive, we believe that mechanization of development through technological innovations is the way to address the huge demand supply gap in the industry. We are constantly upgrading our technology to reduce costs and achieve economies of scale.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution;	Nil
(iii)	In case of imported technology (import	

	during the last three years reckoned from the beginning of the financial year :		
	(a) the details of technology imported	Nil	
	(b) the year of import	N.A.	
	(c) whether the technology been fully absorbed	N.A.	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.	
(iv)	The expenditure incurred on Research and Development	Nil	
(C)	Foreign exchange earnings and Outgo	Inflow (In Rs.)	Out Flow (In Rs.)
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	Nil	Nil

INDUSTRIAL RELATION:

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Suresh Somanth Dave appointed as additional Non-executive director w. e. f. 27th January, 2022 and confirmed as director by passing special resolution though postal ballot on 7th March, 2022.

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

Mr. Harshadkumar Naranbhai Patel, Managing Director eligible for re-appointment as Managing director for 5 years w.e.f. 1st February.2023.

Mr. Jitendra Naranbhai Patel, Wholetime Director eligible for re-appointment as Wholetime director for 5 years w.e.f. 1st February.2023.

Mr. Utkarsh Harshadkumar Patel, Wholetime Director eligible for re-appointment as Wholetime Director for 5 years w.e.f. 1st February.2023.

Mr. Chirag Rajnikant Shah, Independent Director eligible for re-appointment as independent Director for 5 years w.e.f. 15th December, 2022.

Mrs. Lajju Hemang Shah, Independent Director eligible for re-appointment as independent director for 5 years w.e.f. 15th December, 2022.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

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

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

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

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

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

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

NUMBER OF BOARD MEETINGS AND ATTENDANCE:

During the Financial year 2021-22, Twenty-Five (25) board meetings were held. These were held on April 20, 2021; May 31, 2021, June 09, 2021; June 23, 2021; July 09, 2021; July 10, 2021; July 16, 2021; August 12, 2021; August 20, 2021; September 17,2021; September 27, 2021; October 06, 2021; October 22, 2021, October 26, 2021; November 08, 2021; November 13, 2021; November 25, 2021; December 09, 2021; December 31, 2021; January 18, 2022; January 27, 2022, February 23, 2022, March 02, 2022 and March 11, 2022 and March 25,2022.The interval between any two meetings was well within the maximum allowed gap of 120 days.

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

Name of the director	Category	No. of Board Meetings Held & Entitled to Attend	No. of Board Meetings Attended
Mr. Harshadkumar Naranbhai Patel	Chairman & Managing Director	25	25
Mr. Jitendra Naranbhai Patel	Whole-time Director	25	25
Mrs. Lajju Hemang Shah	Independent Director	25	11
Mr. Chirag Rajnikant Shah	Independent Director	25	11
Mr. Utkarsh Harshadkumar Patel	Whole-time Director	25	25
Mrs. Hansa Bharatbhai Patel ^[1]	Non-Executive Director	4	4
Mrs. Krishna Utkarsh Patel	Non-Executive Director	25	25
Ms. Helly Harshadkumar Patel ^[2]	Non-Executive Director	4	4
Mr. Nitin Rikhavbhai Shah	Independent Director	25	12
Mr. Suresh Somnath Dave ^[3]	Independent Director	4	1

(1) Resigned as director with effect from July 9, 2021;

(2) Resigned as director with effect from July 9, 2021;

(3) Appointed as additional independent director on 27th January, 2022 and confirmed as Independent director with effect from March 07, 2022.

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 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 2021-22, Eight (8) meeting of audit committee held on April 20, 2021; May 31, 2021; June 09, 2021; July 09, 2021; October 22, 2021; November 08, 2021; November 13, 2021 and January 27, 2022.

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

Sr. No.	Name of the Director	Status in Committee Nature	Nature of Directorship	No of Meetings Held & Entitled to Attend	No of Meetings attended
1	Mr. Chirag Rajnikant Shah	Chairman of committee	Non-Executive and Independent Director	8	8
2	Mrs. Lajju Hemang Shah	Member	Non-Executive and Independent Director	8	8
3	Mrs. Hansa Bharatbhai Patel	Member	Non-Executive and Non Independent Director	4	4
4	Mrs. Krishna Utkarsh Patel	Member	Non-Executive and Non Independent Director	4	4

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

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

NOMINATION AND REMUNERATION COMMITTEE:

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

During the Financial year 2021-22, one meeting of the Nomination and Remuneration Committee met on January 27, 2022.

Sr. No.	Name of the Director	Status in Committee Nature	Nature of Directorship	No of Meetings Held & Entitled to Attend	No of Meetings attended
1	Mr. Chirag Rajnikant Shah	Chairman of committee	Non-Executive and Independent Director	1	1
2	Mrs. Lajju Hemang Shah	Member	Non-Executive and Independent Director	1	1
3	Mrs. Krishna Utkarsh 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 2021-22, four (4) meeting of Stakeholder Relationship Committee were held on April 20, 2021, October 08, 2021, October 22, 2021 and January 27, 2022.

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

Sr. No.	Name of the Director	Status in Committee Nature	Nature of Directorship	No. of Meetings Held & Entitled to Attend	No. of Meetings attended
1	Mr. Chirag Rajnikant Shah	Chairman of committee	Non-Executive and Independent	4	4

			Director		
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	1	1
4	Mrs. Krishna Utkarsh Patel	Member	Non-Executive and Non Independent Director	3	3

EXTRACTS OF ANNUAL RETURN:

In accordance with section 134(3)(a) of the Companies Act, 2013 Annual Return is available on the Website of the Company after conclusion of the AGM at www.a1acid.com.

CORPORATE GOVERNANCE REPORT:

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

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

Since, our Company falls in the ambit of aforesaid exemption (b); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it does not form the part of the Annual Report for the financial year 2021-22.

AUDITORS:

1. STATUTORY AUDITORS:

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

2. SECRETARIAL AUDITOR:

The Board of directors pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has appointed M/s. H. S. Mehta & Associates (CP. No. 2471), 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 2021-22.

A Secretarial Audit Report for the Financial Year 2021-22 is annexed herewith as Annexure-II in Form MR-3. There are no adverse observations in the Secretarial Audit Report which call for explanation.

3. INTERNAL AUDITOR:

The Board of directors has appointed M/s. S V R P & CO., Chartered Accountant as the internal auditor of the company on the recommendations of the Audit Committee for F.Y. 2021-22; The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board from time to time.

4. COST AUDITORS AND THEIR REPORT:

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

REVIEW OF AUDITORS REPORT:

There are following remarks made by Statutory Auditors M/s. Riddhi P. Sheth & Co., (FRN: 140190W), Chartered Accountants, Ahmedabad, in the Auditor's report as mentioned bellows:

Remark 1: Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In the following cases quarterly returns filed by the company with banks are not in agreement with the books of accounts of the company.

INR in Lakhs			
Quarter ending	Value as per books of accounts	Value as per quarterly statement filed with the bank	Difference
June 30, 2021	4086.19	4071.86	14.33
September 30, 2021	4498.49	4510.97	(12.48)
December 31, 2021	4978.42	5033.71	(55.29)

Reply: The discrepancies are on account of statements filed with the banks on financial statement prepared on provisional basis.

Remark 2: The Company has granted loan to one party without specifying any terms or period of repayment. The aggregate amount is outstanding of Rs. 91953/-. Percentage to total loan is 100%.

Reply: The Company has granted loan to Swastika Fin-Mart Private Limited @ 9% for business purpose.

REVIEW OF SECRETARIAL AUDITORS REPORT:

There are no qualifications, reservations or adverse remarks made by Secretarial Auditors M/s. H. S. Mehta & Associates (FCS: 3973, CP. No: 2471), Ahmedabad, Practicing Company Secretary, in their Secretarial Audit Report for the Financial Year ended March 31, 2022.

REPORTING OF FRAUDS BY AUDITORS:

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

DEMATERIALISATION OF SHARES:

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

DIRECTOR REMUNERATION AND SITTING FEES:

Member's attention is drawn to Financial Statements wherein the disclosure of remuneration and sitting fees paid to directors is given during the year 2021-22.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with related parties which may have potential conflict with the interest of the company at large. Your Directors draw your attention to notes

to the financial statements for detailed related parties' transactions entered during the year. Accordingly, as per third proviso to Section 188(1) of the Act, no approval of the Board or Members / Shareholders is required for such transactions. However, as part of good corporate governance, all related party transactions covered under Section 188 of the Act are approved by the Audit committee. The FORM AOC- 2 is attached as Annexure - IV with this report.

CREDIT RATING:

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

MEETING OF INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors met on March 26, 2022 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:

The Independent Directors of the Company have given declarations stating that they meet the criteria of independence as prescribed under the Section 149(6) of the Companies Act, 2013 read with the rules made there under and read with Regulation 16(1)(b) of the Listing Regulations and in the opinion of the Board, the Independent Directors meet the said criteria. Further, the Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience (including the proficiency) and expertise in their respective fields and that they hold highest standards of integrity. In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be anticipated that could impair or impact their ability to discharge their duties.

2. CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:

An Independent Director shall be a person of integrity and possess appropriate balance of skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing and technical operations or any other discipline related to the Company's business. The Company did not have any peculiar relationship or transactions with non-executive Directors during the year ended March 31, 2022.

3. FORMAL ANNUAL EVALUATION:

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

POLICIES OF THE COMPANY:

- **REMUNERATION AND APPOINTMENT POLICY:**

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

The committee must ensure that:

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

- **POLICY ON MATERIALITY OF RELATED PARTY TRANSACTION:**

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

- **POLICY OF CODE OF CONDUCT FOR DIRECTOR AND SENIOR MANAGEMENT:**

Your Company has adopted the policy of code of Conduct to maintain standard of business conduct and ensure compliance with legal requirements. The Policy on Code of Conduct for

Director and Senior Management has been available on the website of the Company www.a1acid.com.

- **PREVENTION OF INSIDER TRADING:**

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

- **POLICY ON THE PRESERVATION OF DOCUMENTS AND ARCHIVE POLICY:**

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

- **BUSINESS RISK MANAGEMENT:**

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

- **VIGIL MECHANISM/WHISTLE BLOWER MECHANISM:**

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

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

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

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

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

- **CORPORATE SOCIAL RESPONSIBILITY:**

As per section 135 of the Companies act, 2013 expenditure of CSR is not applicable to the company for f. y. 2021-22 since the company is not meeting with the criteria of net-worth, turnover or net profits mentioned therein.

Company has crossed the corporate social responsibility criteria in the year 2021-22 and therefore company will do CSR expenditure in the coming year. The Policy on Corporate Social Responsibility has been available on the website of the Company at www.a1acid.com.

PARTICULARS REGARDING EMPLOYEES REMUNERATION:

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

DISCLOSURES BY DIRECTORS:

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

DISQUALIFICATIONS OF DIRECTORS:

During the financial year 2021-22 under review the Company has received Form DIR-8 from all Directors as required under the provisions of Section 164(2) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 that none of the Directors of your Company is disqualified; to hold office as director disqualified as per provision of Section 164(2) of the Companies Act, 2013 and debarred from holding the office of a Director pursuant to any order of the SEBI or any such authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20th June 2018 on the subject "Enforcement of SEBI orders regarding appointment of Directors by Listed Companies".

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

SECRETARIAL STANDARD:

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

OTHER REGULATORY REQUIREMENT:

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

SEBI COMPLAINTS REDRESS SYSTEM (SCORES):

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint on the SCORES during financial year 2021-22.

INVESTOR GRIEVANCES REDRESSAL STATUS:

During the Financial Year 2021-22, there were no complaints or queries received from the shareholders of the Company. Company Secretary, acts as the Compliance Officer of the Company is responsible for complying with the provisions of the Listing Regulations, requirements of securities laws and SEBI Insider Trading Regulations. The Investor can be sent their query at cs@a1acid.com.

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

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

ACKNOWLEDGEMENT:

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

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

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

The Directors appreciate and value the contribution made by every member of the A-1 Acid Limited family.

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: 11.06.2022
Place: Ahmedabad

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

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

ANNEXURE-I

Part A: Subsidiaries: Not applicable

Part B: Associates and Joint Ventures

Statement containing the salient features of the financial statements of Associate
[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rule, 2014- Form AOC-1]

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	A-1 Sureja Industries
1. Latest audited Balance Sheet Date	31.03.2022
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	--
Amount of Investment in Associates	247.04 Lakhs
Extend of Holding %	45%
Name of Associates/Joint Ventures	A-1 Sureja Industries
3. Description of how there is significant influence	As on 31.03.2022 company holding 45% in A-1 Sureja Industries
4. Reason why the associate/joint venture is not consolidated	--
5. Networth attributable to Shareholding as per latest audited Balance Sheet	4651.40 Lakhs
6. Profit / Loss for the year	
i. Considered in Consolidation	630.52 Lakhs
i. Not Considered in Consolidation	--

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

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

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

Place: Ahmedabad
Date : 11.06.2022

Sd/-
Aanal Bharatbhai Patel
Company Secretary

Sd/-
Himanshu Sunil Thakkar
CFO

ANNEXURE –II
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

[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

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 (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 (hereinafter called the company) books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 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 (“the Company”) for the financial year ended on 31st March, 2022, according to the provisions of:

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

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

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

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

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

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2014 (Not applicable to the Company during Audit Period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during Audit Period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during Audit Period);

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during Audit Period); and

(i) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015;

(vi) Other laws as applicable to the company as per the representations made by the management.

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

(i) Secretarial Standard issued by the Institute of Company Secretaries of India.

(ii) The listing agreement entered into by the company with Bombay Stock Exchanges.

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

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

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

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

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

-Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review and minutes of the meetings duly recorded and signed by the chairman as minutes shown to us.

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

7. The equity shares of the Company were listed at SME platform of Bombay Stock Exchange. The company allotted 15,00,000 shares as bonus shares on 20th August,2021.

Place: Ahmedabad

Date: 11.06.2022

UDIN: F003973D000487379

For, H. S. Mehta & Associates,

Sd/-

Hitesh S. Mehta

Company Secretary

FCS: 3973/C.P. No: 2471

Peer Review Number: 677/2020

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**

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

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

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

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

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

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

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

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

Place: Ahmedabad
Date: 11.06.2022
UDIN: F003973D000487379

For, H. S. Mehta & Associates,

Sd/-
Hitesh S. Mehta
Company Secretary
FCS: 3973/C.P. No: 2471
Peer Review Number: 677/2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT



- **ECONOMIC OVERVIEW:**

- **Global Economy:** Financial year 2021-22 witnessed a synchronized growth in both the advanced as well as developing economies across the globe. While the trade activities remained weak overall, some green shoots of recovery had started to emerge towards the end of the year. However, the unexpected outbreak of Coronavirus (COVID-19) pandemic disrupted the socio-economic balance across the world. After a long lockdown across the globe affecting countries turn by turn severely. The global economy has started moving up the ladder and is expected to break all the records in the coming financial year.

- **Indian Economy:** The Indian economy witnessed a cyclical slowdown owing to weak private consumption, sluggish manufacturing activities and muted investments. The Government of India announced various measures to revive the economy, with the Reserve Bank of India (RBI) complementing with an accommodative policy stance for most parts of the year.

The Government also took significant steps such as a corporate tax rate cut and easing of credit, particularly for the stressed real estate and financial sector. At the same time, measures taken to boost investment, particularly under the National Infrastructure Pipeline, presented green shoots for growth. However, the inopportune COVID-19 outbreak in March 2020, brought the entire nation to a standstill. The consequent nationwide lockdown impacted business activities in all the segments of the economy. While the subsequent financial year of 2021-22 was quite good for the Indian economy. The world now has more expectations from the Indian economy and we are proving our mettle in every sector.

- **CHEMICAL INDUSTRY OVERVIEW:** The world landscape of the chemical industry is rapidly changing. The western countries are losing their share due to high energy prices, labour cost, and currency appreciation. Thus, emerging countries like India is capitalizing on this, pushing the industry to the next stage through development in technology, innovation and trade. This trend is expected to continue in the future. Though the Chinese Chemical Industry did not perform well during the Financial year 2021-22. The Indian Chemical Industry took the first move and performed extraordinarily well. The Apt response and support from the Government in Exports as well as Domestic Business has helped the Chemical Business achieve new Milestones.
- **STRENGTHS AND CHALLENGES:**

STRENGTHS	CHALLENGES
<p>A-1 ACID LTD. is one of the Largest Trader and Distributors of high quality Industrial Acids & Chemicals since more than Four and a half decade across India.</p> <p>Experienced Management team with utmost Ethical practices.</p> <p>Apt delivery services and fast financial responses.</p> <p>Quality Assurance and Standards.</p> <p>Cordial relationships with our suppliers.</p>	<p>As the Indian Economy is going through a lot of turbulence, growth opportunities are expected for sure.</p> <p>Heavy Competition from local competitors who offer few products at lesser price.</p> <p>Material shortage/ undersupply and volatility in prices.</p> <p>Import of Chemicals leading to heavy market volatility.</p>

- **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 growth 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.

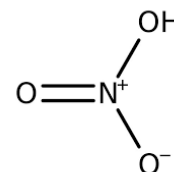
These policies are regularly followed and updated to bring out the best efficiency out of the resources.

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 exists in design and operation.

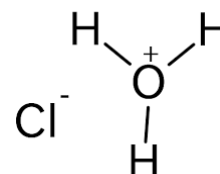
- **SEGMENT REVIEW:** Our company deals in following products:

- **NITRIC ACID (HNO₃) ALL GRADES (18-40%, 61%, 68%, 72%, 98%)**

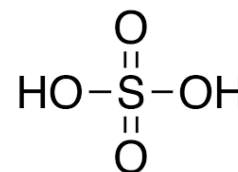
It is also referred to as fuming nitric acid. Depending on the amount of nitrogen dioxide present, fuming nitric acid is further characterized as white fuming nitric acid or red fuming nitric acid, at concentrations above 95%. Nitric acid is the building block chemical for the production of many other chemical compounds. It is used in manufacturing several types of polymers like polyamides and polyurethane. Nitric acid is also commonly used as rocket propellants in the aerospace industry. It is also used for manufacturing nitrogen-based compounds like nylon as well as most of the explosives like trinitrotoluene (T.N.T.), nitroglycerin, amongst others. Other uses include, production of nitrate salts, making dyes, coal tar products and drugs. It is also used mostly for the purification of precious metals like platinum, gold, and silver. In fertilizer production, Nitric acid is used for manufacturing different types of nitrogenous fertilizers like calcium nitrate, ammonium nitrate, etc. Nitric acid is a key component which is also a by-product of Ammonia. Nitric acid is widely used in Steel Industry as well.



- **HYDROCHLORIC ACID:** Hydrochloric acid is used in the production of organic compounds like vinyl chloride and dichloromethane for plastics or PVC (Polyvinyl Chloride), bisphenol A, and many others. This acid is used to prepare compounds that are used as water treatment chemicals. Some examples include polyaluminium chloride (PAC), iron(III) chloride, ferric acid, an aluminum carbohydrate which are used in treating the water. It is also used in the regeneration of ion exchange resins and it is specifically used to rinse the cations from the resins. This acid is used to purify table salts. Further, HCl is used mostly for regulating the acidity (pH) of solutions and it is used in controlling the pH of pharmaceutical products, foods, and water. Hydrochloric acid is used in the production of oil production. Generally, HCl acid is injected into a rock where due to the reaction the rock forms large-pore structures. Now, this significantly assists in oil production. HCL is widely used in Fertilizer industry as well.



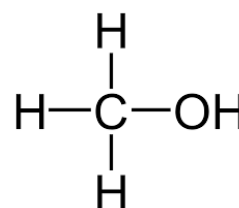
- **SULPHURIC ACID:** Sulphuric acid is a mineral acid with molecular formula H₂SO₄. It is a colorless, odorless, and syrupy liquid that is soluble in water, in a reaction that is highly exothermic. Its



corrosiveness can be mainly ascribed to its strong acidic nature, and if concentrated its dehydrating and oxidizing properties. It is also hygroscopic, readily absorbing water vapour from the air. Sulphuric acid at even moderate concentrations is very dangerous upon contact with skin.

The most common use of sulphuric acid (60% of total) is for fertilizer manufacture. It is used in different industries such as – wastewater processing, production of cleaning agents, processing of minerals, producing explosives, detergents and paper industry for the manufacture of aluminium sulfate Used to damage the cancerous cell DNA by the manufacture of chemotherapy drugs. It is used in ointments to treat various skin infections. It is the basic ingredient of topical ointment named Debacterol in the treatment of canker sores.

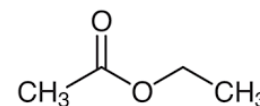
- **METHANOL:** Methanol is colorless, volatile, flammable, and poisonous. It is made from the destructive distillation of wood and is chiefly synthesized from carbon monoxide and hydrogen. Methanol is a polar liquid at room temperature. It is used as antifreeze, solvent, fuel, and as a denaturant for ethanol. Methanol can be used as a fuel in several internal combustion engines. The chemical equation for the burning of methanol is



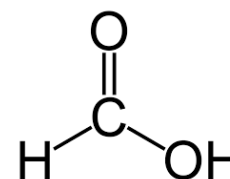
given by: $2\text{CH}_3\text{OH} + 3\text{O}_2 \rightarrow 4\text{H}_2\text{O} + 2\text{CO}_2$

However, the primary disadvantage of methanol as a fuel is that it has a tendency to corrode aluminum and some other metals. Another shortcoming of methanol as a fuel is that its energy density is approximately half of the energy density offered by gasoline. An advantage of methanol as a fuel is that it is relatively easy to store. The storage of liquid methanol is much easier than the storage of hydrogen gas or natural gas. Other merits of this compound include its biodegradability and its short half-life in groundwater. Methanol is widely used in the production of acetic acid and formaldehyde. It is also used in sewage treatment plants since it serves as a carbon-based food source for denitrifying bacteria. A mixture of water and methanol is used in high-performance engines in order to increase power. Methanol is used in the production of hydrocarbons, olefins, and some aromatic compounds. It is also used in the production of methyl esters and methylamines.

- **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. Ethyl acetate is used primarily as a solvent and diluent, being favored because of its low cost, low toxicity, and agreeable odor. For example, it is commonly used to clean circuit boards and in some nail varnish removers (acetone is also used). Coffee beans and tea leaves are decaffeinated with this solvent (when supercritical CO₂ extraction is not possible). It is also used in paints as an activator or hardener. Ethyl acetate is present in confectionery, perfumes, and fruits. In perfumes it evaporates quickly, leaving the scent of the perfume on the skin. Ethyl acetate is the most common ester in wine, being the product of the most common volatile organic acid – acetic acid, and the ethyl alcohol generated during the fermentation. The aroma of ethyl acetate is most vivid in younger wines and contributes towards the general perception of "fruitiness" in the wine.



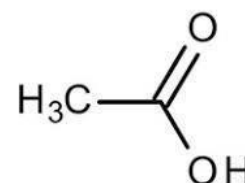
- **FORMIC ACID:** Used as a coagulant for obtaining rubber from latex. As an auxiliary for declining and pickling of fur, fixing of dyes in leather industry and in processing in textile industry. As an intermediate in manufacturing of basic drugs, plant protection agents, pesticides, vulcanisation accelerators, antioxidants and cleaning agents. Used in preservation of silage and grams. Used in electroplating and as a solvent as well. A major use of formic acid is as a preservative and antibacterial agent in livestock feed. In Europe, it is applied on silage, including fresh hay, to promote the fermentation of lactic acid. Beekeepers use formic acid as a miticide against the tracheal mite. Formic acid application has been reported to be an effective treatment for warts. Formic acid can be used in a fuel cell (it can be used directly in formic acid fuel cells and indirectly in hydrogen fuel cells).



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



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



- **ACETIC ACID:** Acetic Acid is used in textile industries for textile processing and printing. Acetic acid is one of the simplest carboxylic acids. It is an important chemical reagent and industrial chemical that is used in the production of plastic soft drink bottles, photographic film; and polyvinyl acetate for wood glue, as well as many synthetic fibres and fabrics.
- **SODIUM HYPOCHLORITE:** Sodium hypochlorite is an excellent steriliser, oxidiser and decolouring agent. It is used to make disinfectants and a variety of pharmaceutical drugs. It is also widely used for water treatment.
In the process, sodium hypochlorite (NaClO) and sodium chloride (NaCl) are formed when chlorine is passed into a cold dilute sodium hydroxide solution. The solution must be kept below 40 °C (by cooling coils) to prevent the undesired formation of sodium chlorate.
- **OLEUM:** Oleum is a cloudy, gray, fuming, oily, corrosive liquid, with a sharp, penetrating odor. Its composition is that of H₂SO₄ with dissolved SO₃.
- **FORMALDEHYDE & PARAFORMALDEHYDE:** Formaldehyde-based resins are used for making particle boards, medium density fibreboard, 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 the metallurgical field, these grades are used in surface treatment, cast-iron-steel and stainless steel cleaning. HF solutions are also used in other more general applications such as the separation of rare earth, or utilized as a catalyst.





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

Note: The Performances of our products and services are covered in and form part of the 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. 31,036.04 lakhs, this is 113.77% more than the previous year. Profit before tax for the period under the review is Rs. 862.98 Lakhs.
- **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:** We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and backgrounds that would be an asset for our business.

Category	Number
Chairman cum Managing Director, Whole-Time Director	3
Independent & other Non-Executive Director	5
Accounts & Administration	7
Financial Operations	1
Secretarial & Legal	1

Our HR Department ensures a 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 Limited, we lay a lot of emphasis on transparent and open two-way communication between the management and the employee.

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

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

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

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

- **RISKS AND CONCERNS:** Our Company had put a risk management framework in place post a comprehensive review of its risk management process. Our 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 2021-22	Financial Year 2020-2021	Change in %
Current Ratio	2.03	2.67	-24%
Debt-Equity Ratio	0.56	0.52	8%
Debt service coverage ratio	2.69	1.65	63%
Return on Equity Ratio	13.87%	6.79%	104%

Inventory turnover ratio(in days)	2.77	3.77	-26%
Trade Receivables turnover ratio	50.19	76.69	-35%
Trade Payables turnover ratio(in days)	2.70	2.15	25%
Net Capital turnover	11.04	5.24	111%
Net Profit Ratio	2%	2%	-
Return on Capital Employed	0.13	0.08	62%
Return on Investment	-	NA	

Reason for Variance above 25% in ratios

1. Return on Equity, Debt Service Coverage Ratio & Return on Capital Employed Ratio: The Return ratios have improved on account of increased profitability vis a vis last year
 2. Net Capital Turnover: The ratio has improved on account of increased profitability and revenue from operations vis a vis last year
 3. Inventory turnover, Trade payable & Receivable Turnover Ratio: The ratios have improved on account of efficient working capital cycle management
- **DISCLOSURE OF ACCOUNTING TREATMENT:** The Company adopted Indian accounting standard (“Ind As”) prescribed under section 133 of the companies act, 2013 read with relevant rules issued there under and in terms of Regulation 33 of the SEBI (LODR) Regulations, 2015 and the Companies (Indian accounting Standards) (Amendment) Rules, 2016. Beginning April 1, 2020 the company has for the first time adopted IND AS with the transition date of April 1, 2019.
 - **CAUTIONARY STATEMENT:** Readers are cautioned that this **Management Discussion & Analysis** pertaining to A-1 Acid Limited contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words “anticipate,” “believe,” “estimate,” “intend,” “will,” and “expected” and other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Actual results, performances or achievements, risks and opportunities could differ materially from those expressed or implied in these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements as these are relevant at a particular point of time and adequate restraint should be applied in their use for any decision making or formation of an opinion. This document does not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not

form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company. This document neither gives any guarantee of return nor any recommendation of investment in the securities of the Company.

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: 11.06.2022
Place: Ahmedabad

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

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

ANNEXURE-IV TO BOARD'S REPORT

FORM NO. AOC-2

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

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

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

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

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

Name of Related Party	Nature of relationship	Nature of Contract / agreement / transactions	Duration of contracts / agreements / transactions	Salient terms of contracts or agreements, or transactions including the value, if any	Date(s) of approval by the Audit committee, if any:	Amount paid as advances , if any:
Harshadkumar Naranbhai Patel	Managing Director	Rent Paid	-----	-----	20.04.2021	-----
Jitendra N. Patel	Whole-time director	Rent Paid	-----	-----	20.04.2021	-----
Krishnaben N. Patel	Mother of Director	Rent Paid	-----	-----	20.04.2021	-----
Binduben J. Patel	Wife of Director	Rent Paid	-----	-----	20.04.2021	-----
Ritaben H. Patel	Wife of Director	Rent Paid	-----	-----	20.04.2021	-----
Numeron Multicuisine Restaurant	The director is proprietor of this firm.	Sales Promotion	-----	-----	20.04.2021	-----

(1) The Company has entered into contracts or arrangements with related parties as referred to in Section 188(1) of the Companies Act, 2013. However, all such transactions are entered into in the ordinary course of business and in the option of the Board all such transaction

are at arm's length. Accordingly, by virtue of third proviso to Section 188(1) of the Act, no approval of the Board or General Meeting as referred to in Section 188(1) and its first proviso is required for such transactions. However, as part of good corporate governance, all related party transactions covered under section 188 of the Act are approved by the Audit committee.

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

Date: 11.06.2022
Place: Ahmedabad

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

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

ANNEXURE-V

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 2021-22.

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

Sr. No.	Name of Director	Remuneration (Rs. In Lacs)	Ratio of remuneration to Median Remuneration of the employees	% increase in Remuneration in year ended 31 st March 2022
1	Harshad N. Patel, Chairman & Managing Director	66.12	7.53:1	--
2	Jitendra N. Patel, Whole-Time Director	48.12	5.48:1	--
3	Utkarsh H. Patel, Whole-Time Director- Logistics	42.12	4.8:1	--

B. Remuneration of Non-Executive Directors:

Sr. No.	Name of Director	Designation	Ratio to MRE of the employees
5	Lajju H. Shah	Independent Director	--
6	Chirag R. Shah	Independent Director	--
7	Krishna Utkarsh Patel	Non-Executive Director	--
8	Nitin Rikhavbhai Shah	Independent Director	--
9	Suresh Somnath Dave	Independent Director	--

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

C. Remuneration to Key Managerial Personnel:

Sr. No.	Name of Director	Designation	Remuneration (Rs. In Lacs)	% increase in Remuneration in year ended 31 March 2022
10	Himanshu S. Thakkar	CFO	10.40	44.44%
11	Aanal Patel	Company Secretary & Compliance Officer	1.80	--

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 is as mentioned above.

3. The percentage increase in the median remuneration of employees in the financial year 2021-22: 44% approx.

4. The number of permanent employees on the rolls of Company in the financial year 2021-22: 12 employees (including 3 Executive directors)

5. The average increase in employee was approx 44%. The increase in remuneration is line with market trends in respective countries. In order to ensure that remuneration reflects the Company's performance. The performance pay is also linked to organization performance and individual utilization in addition to individual performance.

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.

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Bodakdev, Ahmedabad-
380059

Date: 11.06.2022

Place: Ahmedabad

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

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

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

INDEPENDENT AUDITOR'S REPORT

To The Members of A-1 Acid Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of A-1 Acid Limited ("the Company"), which comprise the Balance Sheet as at 31stMarch 2022, the Statement of Profit and Loss including the statement of other comprehensive income, the Statement of Cash Flows and the statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Sr.	Key Audit Matter	Auditor's Response
	<p>Recoverability assessment of trade receivables: The Company has a net trade receivables of INR 4630.95 Lacs after providing for bad and doubtful debts of INR 154.48 Lacs as at 31st March,2022.</p> <p>Trade receivables of the Company comprises mainly receivables in relation to the Company's (i) trading business regarding the sale of Acid and (ii) services rendered for Transportation.</p> <p>The increasing challenges over the economy and operating environment in the trading industry during the year have increased the risks of default on receivables from the Company's customers. In particular, in the event of insolvency of customers, the Company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements Of the agreements.</p> <p>The recoverable amount was estimated by management based on their specific recoverability assessment on individual debtor with reference to the aging profile, historical payment pattern and the past record of default of the customer.</p> <p>Management would make provision based on the established model as well as specific provision against individual balances with reference to its recoverable amount.</p> <p>For the purpose of establishing provisioning model to make provision for bad and doubtful debts, significant judgments and assumptions, including the credit risks of customers, the timing and amount of realisation of these receivables, are required to be made.</p>	<p>Our response to the risk:</p> <p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> - Identification of loss events, including early warning and default warning indicators; - Assessment and approval of individual loss provisions; - Governance including model validation and the assessment of the suitability of models, appropriateness of assumptions, and approval of provisions; and Completeness and accuracy of data input into models and provision calculators. <p>We have performed the following procedures in relation to the recoverability of trade receivables:</p> <ul style="list-style-type: none"> • Tested the accuracy of aging of trade receivables at year end on a sample basis; • Obtained a list of outstanding receivables and identified any debtors with financial difficulty through discussion with management as well as conducting market research on the industry; • Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers and to consider if any additional provision should be made; and • Tested subsequent settlement of trade receivables after the balance sheet date on a Sample basis if any, <p>For modeled provisions, we tested data inputs used for modeled provisions. We assessed the appropriateness of the models used.</p> <p>Were performed the provision calculations and compared our measurement outcome to that prepared by management and investigated any Differences arising.</p> <p>We assessed the appropriateness and presentation of disclosures against relevant accounting standards.</p>

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

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, 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 is also responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that:

In our opinion and according to the records of the Company examined by us and the information and explanation given to us, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or any entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(b) Management has represented that to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the company from any persons or any entities, including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. (a) The company did not declare or paid dividend during the year hence question of compliance with section 123 of the Companies Act, 2013 does not arise.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Sd/-
(Riddhi P.Sheth)
Proprietor
Membership No. 159123
UDIN: 22159123AIROPN8531

Place: Ahmedabad.

Date: May 10,2022

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, 2022 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, 2022 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Place: Ahmedabad.

Date: May 10, 2022

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, 2022 to the members of A-1 Acid Limited]

Referred to in our report of even date

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

(B) The company has maintained proper records showing full particulars of intangible asset.

(b) According Majority of the Property, Plant and Equipment have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, 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.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) As explained to us, inventories have been physically verified at reasonable intervals by the management during the year. In our opinion, the coverage and the procedure of such verification is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such verification.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In the following cases quarterly returns filed by the company with banks are not in agreement with the books of accounts of the company.

Quarter ending	INR in Lacs		
	Value as per books of accounts	Value as per quarterly statement filed with the bank	Difference
June 30, 2021	4086.19	4071.86	14.33
September 30, 2021	4498.49	4510.97	(12.48)
December 31, 2021	4978.42	5033.71	(55.29)

As explained by the management, the discrepancies are on account of statements filed with the banks on financial statement prepared on provisional basis.

- iii. The company has made investments in firm ad granted unsecured loans to other parties during the year, in respect of which:
- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
- (b) In our opinion, the investments made and the terms and conditions of the grant of loans are prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, no schedule of repayment of principal and payment of interest has been stipulated, hence question of regularity of repayment or receipts does not arise.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company has fallen due during the year and has been renewed or extended or fresh loans granted to settle the ovedues of existing loans given to the same parties.
- (f) The Company has granted loan to one party without specifying any terms or period of repayment. The aggregate amount is outstanding of Rs. 91953/-. Percentage to total loan is 100%. Company has not granted any loans to Promoters or related parties as defined in clause (76) of section 2 of the Companies act, 2013.
- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- v. In our opinion, and according to the information and explanation given to us the company has not accepted any deposits as per the directives issued by the reserve bank of India under the provision of section 73 to 76 or any other

relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3 (V) of the order is not applicable to the company.

- vi. 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 Companies 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, sales tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues, as applicable, though there has been a slight delay in few cases, with the appropriate authorities.

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income tax, sales tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in clause (a) above as at 31 March, 2022 which have not been deposited with the appropriate authorities on account of any dispute.

- viii. According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or other borrowings to any lender.

(b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not been declared wilful defaulter by any bank of financial institution or government or any government authority.

(c) The term loans have been applied for the purposes for which they were obtained.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate firm.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate firm.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) 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, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us no whistle-blower complaints, if any, received during the year by the Company.
- xii. According to the information and explanations given to us, the company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. Based on our examination of records of the Company and according to the information and explanations given to us, the transactions with related parties are in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standard.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

- (b) According to the information and explanations provided to us during the course of audit, there is no core investment company within the group (as defined in the Core Investment Companies (Reserve Bank Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- xvii. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly reporting under clause 3(xviii) of the Order is not applicable
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) Based on our examination of records of the Company and according to the information and explanations given to us the provisions of Corporate Social Responsibility as per section 135 of the Companies Act, 2013 are not applicable to the Company for the year under audit. However, Company has spent Rs. 2.50 crore of unspent amount of the preceding year. Thus, there are no unspent amount towards Corporate Social Responsibility (CSR) on any projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clauses 3(xx)(a) and clause 3(xx)(b) of the Order are not applicable for the year.
- xxi. There are no Companies of which reports are included in the consolidated financial statements. Hence, reporting under clauses 3(xxi) of the Order is not applicable.

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

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

Place: Ahmedabad.

Date: May 10, 2022

A-1 ACID LIMITED
STANDALONE BALANCE SHEET AS AT MARCH 31, 2022

(INR in Lacs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3A	1,672.43	1,386.09
Capital Work-In- Progress	3B	9.20	9.20
Goodwill	3C	31.00	31.00
Financial Assets			
(i) Investments	4	247.04	-
(ii) Other Financial Assets	5	446.26	239.80
Other Non-Current Assets	6	25.98	3.80
Total Non-Current Assets (A)		2,431.91	1,669.89
Current Assets			
Inventories	7	233.69	189.88
Financial Assets			
(i) Trade Receivables	8	4,630.95	3,627.48
(ii) Cash and Cash Equivalents	9	9.64	46.99
(iii) Loans	10	0.92	71.64
(iv) Other Financial Assets	11	0.70	1.95
Other Current Assets	12	661.81	493.67
Total Current Assets (B)		5,537.71	4,431.61
Total Assets (A+B)		7,969.62	6,101.50
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	1,150.00	1,000.00
Other Equity	14	3,501.40	3,020.87
Total Equity (A)		4,651.40	4,020.87
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	15	545.33	364.75
Deferred Tax Liabilities (Net)	16	45.16	56.12
Total Non-Current Liabilities (B)		590.49	420.87
Current Liabilities			
Financial Liabilities			
(i) Borrowings	17	2,052.52	1,296.62
(ii) Trade Payables	18	303.89	138.52
Other Current Liabilities	19	357.01	209.04
Current Tax Liabilities (Net)	20	14.31	15.58
Total Current Liabilities (C)		2,727.73	1,659.76
Total Liabilities (A+B+C)		7,969.62	6,101.50

The notes on account form integral part of the financial Statement 1 to 39
As per our Report of even date attached

For, Riddhi P. Sheth & Co.	For and on Behalf of Board	
Chartered Accountants		
Firm Registration No.: 140190W	Sd/-	Sd/-
	Harshadkumar Patel	Jitendra Patel
Sd/-	Chairman & Managing Director	Whole Time Director
Riddhi P. Sheth	(DIN: 00302819)	(DIN: 00164229)
Proprietor		
Membership No.159123	Sd/-	Sd/-
	Himanshu Thakkar	Aanal Patel
	CFO	Company Secretary
Place : Ahmedabad	Place : Ahmedabad	
Date: May 10, 2022	Date: May 10, 2022	

A-1 ACID LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31,2022

Particulars	Notes	(INR in Lacs)	
		Year ended on March 31, 2022	Year ended on March 31, 2021
Revenue from Operations	21	31,036.04	14,518.35
Other Income	22	400.81	385.06
Total Income		31,436.85	14,903.41
EXPENSES			
(i) Purchase of Stock-In-Trade		27,888.25	12,423.88
(ii) Transport Expenses		1,584.30	1,240.88
(iii) Changes in Inventory of Finished Goods	23	(43.81)	(80.09)
(iv) Employee Benefit Expenses	24	256.03	237.36
(v) Finance Costs	25	120.66	72.07
(vi) Depreciation and Amortization Expense	3B	334.66	280.86
(vii) Other Expenses	26	448.39	312.98
Total Expense		30,588.48	14,487.94
Profit Before Tax		848.37	415.47
Tax Expense			
(i) Current Tax	27	228.81	97.42
(ii) Deferred Tax	27	(10.96)	40.26
(ii) Tax for earlier years		-	4.77
Profit for the year		630.52	273.02
Other Comprehensive Income			
(i) Items that will not be reclassified to Profit and Loss		-	-
(ii) Income Tax on items that will not be reclassified to Profit and Loss		-	-
(iii) Items that will be reclassified to Profit and Loss		-	-
(ii) Income Tax on items that will be reclassified to Profit and Loss		-	-
Total Comprehensive Income for the year		630.52	273.02
Earning Per Share : Basic & Diluted	28	5.48	2.37

The notes on account form integral part of the financial Statement 1 to 39

As per our Report of even date attached

For, Riddhi P. Sheth & Co.
Chartered Accountants
Firm Registration No.: 140190W

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

Place : Ahmedabad
Date: May 10, 2022

For and on Behalf of Board
Sd/-
Harshadkumar Patel
Chairman & Managing Director
(DIN: 00302819)

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

Sd/-
Himanshu Thakkar
CFO
Place : Ahmedabad
Date: May 10, 2022

Sd/-
Aanal Patel
Company Secretary

STANDALONE STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31,2022

(INR in Lacs)

Particulars	Year ended on March 31, 2022	Year ended on March 31, 2021
A Cash from Operating Activities		
Profit Before Tax	848.37	415.07
Adjustments for:		
Depreciation	334.66	281.16
Finance Cost	115.20	60.95
Sundry Balance Written Off	(2.40)	4.89
Provision for Expected Credit Loss	56.00	11.32
Interest Income	(10.26)	(19.43)
Loss on sale of Fixed Assets	5.15	(11.19)
Operating Profit before Changes in Working Capital	1,346.72	742.77
Movements in Working Capital		
Decrease/ (Increase) in Other Financial Non current Assets	(206.46)	0.87
Decrease/ (Increase) in Inventories	(43.81)	(80.09)
Decrease/ (Increase) in Trade Receivables	(1,057.06)	(1,170.23)
Decrease/ (Increase) in Other Current Financial Assets	1.24	26.50
Decrease/ (Increase) in Other Current Assets	(168.14)	110.09
(Decrease)/ Increase in Trade Payables	165.37	112.28
(Decrease)/ Increase in Other Current liability	147.97	(111.69)
Cash Generated from Operations	185.83	(369.50)
Income Tax (Paid)/Received	(206.02)	(23.15)
Net Cash generated/(used in) from Operating Activities	(20.19)	(392.65)
B Cash Flow from Investment Activities		
Purchase of Property, Plant & Equipment including Capital		
Advances and Capital Work in Progress	(743.88)	(597.23)
Investment in an Associate	(247.04)	-
Sale of Property, Plant & Equipment	71.50	19.61
Interest Income	10.26	19.43
Net Cash generated/(used in) from Investment Activities	(909.16)	(558.19)
C Cash From Financing Activities		
Repayment of Non Current Borrowings	180.58	17.66
Proceeds/(repayment) from Current Borrowings	755.90	1,007.27
Repayment of Lease Liabilities		(39.75)
Loans given/recovered	70.72	17.34
Interest Paid	(115.20)	(60.95)
Net Cash generated/(used in) From Financing Activities	892.00	941.57
Net Increase/Decrease in Cash & Cash Equivalents	(37.35)	(9.27)
Cash & Cash Equivalents at the beginning of the year	46.99	56.26
Cash & Cash Equivalents at the end of the year	9.64	46.99

Note to Cash Flow Statement:

1

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

2

The Group has total sanctioned limit (fund & non-fund based) of Rs.2300 lakhs (P.Y. 1400 lakhs) with banks, out of which 1677 lakhs (P.Y. 944 lakhs) has been utilised.

3

Cash And Cash Equivalents comprises of:

Particulars	As at March 31, 2022	As at March 31, 2021
Cash On Hand	5.26	33.70
Balances with Banks-In Current Account	4.38	13.29
Cash and Cash Equivalents as per Note 9	9.64	46.99
Cash and Cash Equivalents as per Cash Flow	9.64	46.99

4 Disclosure as required by IND AS 7

Reconciliation of liabilities arising from financing activities

As at March 31, 2022 (INR in Lacs)

Particulars	Opening Balance	Cashflows	Non Cash Changes	Closing Balance
Current Borrowings (including Current maturities of Long term Debt)	1,296.62	755.90	-	2,052.52
Non Current Borrowings	364.75	180.58	-	545.33
Total liabilities fom financing activities	1,661.37	936.48	-	2,597.85

As at March 31, 2021

Particulars	Opening Balance	Cashflows	Non Cash Changes	Closing Balance
Current Borrowings (including Current maturities of Long term Debt)	289.65	1,007.27	-	1,296.62
Non Current Borrowings	347.09	17.66	-	364.75
Total liabilities fom financing activities	636.74	1,024.93	-	1,661.37

The Notes on Account form Integral part of the Financial Statements 1 to 39

As per our report of even date attached

For, Riddhi P. Sheth & Co.
Chartered Accountants
Firm Registration No. : 140190W

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

Place : Ahmedabad
Date: May 10, 2022

For and on Behalf of Board
Sd/-
Harshadkumar Patel
Chairman & Managing Director
(DIN: 00302819)

Sd/-
Himanshu Thakkar
CFO

Place : Ahmedabad
Date: May 10, 2022

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

Sd/-
Aanal Patel
Company Secretary

A-1 ACID LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31,2022

(INR in Lacs)	
Equity Share Capital	Amount
Balance as at April 01,2020	1,000.00
Changes in equity Share Capital due to prior period errors	-
Restated Balance as at April 01, 2020	1,000.00
Changes During the year	-
Balance as at March 31,2021	1,000.00
Changes in equity Share Capital due to prior period errors	-
Restated Balance as at April 01, 2021	1,000.00
Changes During the year	150.00
Balance as at March 31,2022	1,150

The company has issued 3 equity bonus shares for every 20 equity shares during the year ended on March 31,2022.

(INR in Lacs)				
Other Equity	General Reserve	Securities Premium	Retained Earnings	Total
Balance as at April 01,2020	32.61	1,370.78	1,344.47	2,748.44
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance as at April 01, 2020	32.61	1,370.78	1,344.47	2,748.44
Total Comprehensive Income for the year			273.02	273.02
Balance as at March 31,2021	32.61	1,370.78	1,617.49	3,020.87
Changes in accounting policy or prior period errors	-	-	-	-
Issue of Bonus Shares	-	-	(150.00)	(150.00)
Total Comprehensive Income for the year	-	-	630.52	630.52
Balance as at March 31,2022	32.61	1,370.78	2,098.01	3,501.40

The notes on account form integral part of the financial Statement 1 to 39

As per our Report of even date attached

For, Riddhi P. Sheth & Co.

Chartered Accountants

Firm Registration No.: 140190W

Sd/-

Riddhi P.Sheth

Proprietor

Membership No.159123

For and on Behalf of Board

Sd/-

Harshadkumar Patel
Chairman & Managing
Director
(DIN: 00302819)

Sd/-

Jitendra Patel
Whole Time Director
(DIN: 00164229)

Sd/-

Himanshu Thakkar
CFO

Sd/-

Aanal Patel
Company Secretary

Place : Ahmedabad

Date: May 10, 2022

Place : Ahmedabad

Date: May 10, 2022

13 Equity Share Capital	(INR in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Authorised Capital 20000000 (previous year 12000000) Equity Shares of Rs. 10 Each	2,000.00	1,200.00
Issued, Subscribed and Paid-up 11500000 (Previous year 10000000) Equity Shares of Rs. 10 Each fully Paid-up	1,150.00	1,000.00
Total	1,150.00	1,000.00

- a(i) The company has only one class of shares referred to as Equity shares having face value of Rs. 10/-. Each Holder of equity share is entitled to one vote per share and rank equally with regard to dividends .
- (ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently.
- (iii) The distribution will be in proportion to the number of equity shares held by the shareholders
- (iv) No Shares has been reserved for issue under options or contracts/commitments for the shares/disinvestment
- (v) The company has issued 3 equity bonus shares for every 20 equity shares during the year ended on March 31,2022.
- (vi) **In the five years immediately preceding March 31, 2022**
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.
- The bonus shares once allotted shall rank pari passu in all respects and carry the same rights as the existing equity shareholders and shall be entitled to participate in full, in any dividend and any other corporate action, after allotment.

b. Reconciliation of the number of shares outstanding and the amount of share capital is set out below:	(INR in Lacs)	
	No of Shares	Amount
Particulars		
Share Capital as at April 01,2020	10,000,000	1,000.00
Addition in Share Capital	-	-
Share Capital as at March 31,2021	10,000,000	1,000.00
Addition in Share Capital on issue of Bonus	1,500,000	150.00
Share Capital as at March 31,2022	11,500,000	1,150.00

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

Particulars	As at	
	March 31, 2022	March 31, 2021
Harshadbhai N Patel- % No of Shares	27.30% 3,139,501	27.30% 2,730,000
Jitendrabhai N Patel-% No of Shares	27.30% 3,139,500	27.30% 2,730,000
Krishnaben Naranbhai Patel-% No of Shares	7.70% 885,040	7.70% 769,600.0
Utkarsh H Patel No of Shares	7.70% 885,500	7.70% 770,000.0

d. Shared held by the Promoters at the end of the year

Name of the Promoter	As at March 31,2022		As at March 31,2021		
	No of Shares	% of Total Shares	No of Shares	% of Total Shares	% change
Harshadbhai N Patel	3,139,501	27.30%	2,730,000	27.30%	-
Jitendrabhai N Patel	3,139,500	27.30%	2,730,000	27.30%	-
Krishnaben Naranbhai Patel	885,040	7.70%	769,600	7.70%	-
Utkarsh H Patel	885,500	7.70%	770,000	7.70%	-

No of shares held by Promoters as on March 31,22 has increased due to issue of Bonus shares. However the ratio of holding has not changed due to issue of pro-rata shares.

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

(INR in Lacs)

A-1 ACID LIMITED

14 Other Equity	General Reserve	Securities Premium	Retained Earnings	Total
Balance as at April 01,2020	32.61	1,370.78	1,344.47	2,748.44
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance as at April 01, 2020				
Total Comprehensive Income for the year	-	-	273.02	273.02
Balance as at March 31,2021	32.61	1,370.78	1,617.49	3,020.87
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance as at April 01, 2021	32.61	1,370.78	1,617.49	3,020.87
Issue of Bonus Shares	-	-	(150.00)	(150.00)
Total Comprehensive Income for the year	-	-	630.52	630.52
Balance as at March 31,2022	32.61	1,370.78	2,098.01	3,501.40

- a. On 5th October 2018, the Company has allotted 30,00,000 Equity Shares of face value Rs. 10/- each fully paid -up at issue price of Rs.60/- per share including a premium of Rs.50/- per share aggregating to Rs.1,500 lacs of Securities Premium balance, through the initial public offer. Against this balance of Premium amount Rs. 129.22 lacs was adjusted as IPO expense leaving balance of Rs. 1370.78 lacs
- b. General Reserve is created by transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
- c. The company has issued 3 equity bonus shares for every 20 equity shares during the year ended on March 31,2022.

(INR in Lacs)

15 Borrowings (Non-Current)	As at March 31, 2022	As at March 31, 2021
Secured (At amortised cost)		
Term Loans from Banks	921.05	609.08
Sub Total	921.05	609.08
Less: Current Maturities of long term Debt (Refer Note-17)	375.72	244.33
Total	545.33	364.75

Security

Term Loans are secured against hypothecation of vehicles

Interest

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

Repayment

Term loans are repayable in monthly installments. The installments payable within 12 months are reported as current maturity of long term debts in Note 17

(INR in Lacs)

16 Deferred Tax Liabilities (Net)	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities		
Property, Plant and Equipment	84.01	87.10
Deferred Tax Assets		
Non deductible expenses for tax purpose	38.85	30.98
Net Deferred Tax Liabilities	45.16	56.12

Movements in Deferred Tax Liabilities
Difference of Depreciation as per Income Tax and Company Law

As at March 31,2020	15.86
Charge/(credit) to Profit & Loss	40.26
Charge/(credit) to Other Comprehensive Income	
As at March 31,2021	56.12
Charge/(credit) to Profit & Loss Account	(10.96)
Charge/(credit) to Other Comprehensive Income	
As at March 31,2022	45.16

	(INR in Lacs)	
17 Borrowings (Current)	As at March 31, 2022	As at March 31, 2021
Secured (At amortised cost)		
Working Capital Loans		
From Banks*	1,676.80	944.04
Loans from Financial Institutions (Secured)	-	108.25
Current Maturities of Long Term Debt	375.72	244.33
Total	2,052.52	1,296.62

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

For the channel financing facility sanctioned to the tune of INR 500 lacs, by IndusInd Bank, Irrevocable personal guarantees has been given by Promoters Harshad Patel, Jitendra Patel and Utkarsh Patel.

Details of current Asset statements filed with Banks/FI for FY 2021-22

Particulars of Security	Name of bank	Quarter	Amount as per books	Amounts reported to Bank	Difference
Finished Goods		Q1	96.02	95.46	0.56
Debtors	Deutsche/		3,867.99	3,868.02	(0.03)
Creditors	IndusInd Bank		122.18	108.38	13.80
Finished Goods		Q2	111.74	111.74	-
Debtors	Deutsche/		4,215.82	4,219.83	(4.01)
Creditors	IndusInd Bank		170.93	179.40	(8.47)
Finished Goods		Q3	201.62	201.62	-
Debtors	Deutsche/		4,539.57	4,551.78	(12.21)
Creditors	IndusInd Bank		237.23	280.31	(43.08)
Finished Goods		Q4	233.69	233.69	-
Debtors	Deutsche/		4,463.62	4,463.62	-
Creditors	IndusInd Bank		303.89	303.89	-

Reason For Difference: The amounts provided to the bank are based on unaudited books of accounts, where as amounts reported above as per books are on the basis of audited books of accounts after providing provisions, debit and credit notes.

Details of current Asset statements filed with Banks/FI for FY 2020-21

Particulars of Security	Name of bank	Quarter	Amount as per books	Amounts reported to Bank	Difference
Finished Goods		Q1	73.45	66.52	6.93
Debtors	Deutsche		2,663.41	2,675.65	(12.23)
Creditors	Bank		47.52	47.52	-
Finished Goods		Q2	101.04	96.21	4.83
Debtors	Deutsche		2,849.75	2,849.80	(0.05)
Creditors	Bank		92.28	92.28	-
Finished Goods		Q3	170.23	159.89	10.34
Debtors	Deutsche		3,383.20	3,383.22	(0.02)
Creditors	Bank		175.71	175.71	-
Finished Goods		Q4	189.88	189.88	-
Debtors	Deutsche		3,750.44	3,753.78	(3.34)
Creditors	Bank		70.28	70.28	-

Reason For Difference: The amounts provided to the bank are based on unaudited books of accounts, where as amounts reported above as per books are on the basis of audited books of accounts after providing provisions, debit and credit notes.

	(INR in Lacs)	
18 Trade Payables	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of		
-Micro, Small and Medium Enterprise	-	-
-Other than Micro, Small and Medium Enterprise	303.89	138.52
-Related Parties	-	-

Total	303.89	138.52
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Trade Payable Ageing as at March 31, 2022 (INR in Lacs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due for payment	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
Others	281.50	12.51	-	-	9.88	303.89
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-

Trade Payable Ageing as at March 31, 2021 (INR in Lacs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due for payment	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
Others	124.68	0.78	3.18	-	9.88	138.52
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-

(INR in Lacs)

19 Other Current Liabilities As at As at
March 31, 2022 March 31, 2021

Statutory Dues	15.66	9.96
Advance from Customers	321.82	60.04
Provision for expenses & Discount obligations	19.53	139.04
Total	357.01	209.04

(INR in Lacs)

Current Tax Liabilities As at As at
March 31, 2022 March 31, 2021

Provision for Income Tax	228.81	97.42
Less: Advance Income Tax	214.50	81.84
Total	14.31	15.58

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2022

1 CORPORATE INFORMATION

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

2 SIGNIFICANT ACCOUNTING POLICIES, KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

2.1 Basis of Preparation

a) Statement of Compliance

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

b) Basis of Preparation

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

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

2.2 Use of Estimates

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

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

2.3 Key Accounting Estimates and Judgement used in application of Accounting Policies

a. Income Taxes

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

b. Property, Plant and Equipment

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

c. Impairment of Financial Assets

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

d. Fair Value Measurement of Financial Instruments

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

2.4 Property, Plant and Equipment & Depreciation

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

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

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

Capital Work-in-Progress

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

Depreciation methods, estimated useful life and residual value:

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

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

A-1 ACID LIMITED

The Estimated Useful Lives are mentioned below:

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

2.5 Intangible Assets and Amortisation :

Goodwill was recognised on succession of promoter's proprietary business by A-1 Acid Private Limited in 2004. It is tested for impairment at end of each reporting period and not amortised.

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

2.6 Impairment of non - financial assets

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

Recoverable Amount is determined:

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

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

2.7 Financial Instruments

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

A Financial Assets

i. Initial recognition and measurement:

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

ii. Subsequent Measurement:

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

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

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

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

i) Financial assets measured at amortised cost

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

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

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

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

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

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

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

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

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

iii. Derecognition:

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

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

iv. Impairment of financial assets:

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

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

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

B Financial Liabilities

i. Initial recognition and measurement:

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

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

ii. Subsequent measurement:

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

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

i) Financial liabilities measured at amortised cost

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

ii) Financial liabilities at fair value through profit or loss

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

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

iii. Derecognition

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

2.8 Off-setting of financial instruments:

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

2.9 Fair value measurement

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

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

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

2.10 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.

2.11 Borrowing Cost

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

A-1 ACID LIMITED

2.12 Cash and Cash Equivalents

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

2.13 Statement of Cashflows

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

2.14 Revenue Recognition

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

2.15 Dividend

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

2.16 Employee Benefit

Defined Contribution Plan

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

Defined Benefit Plan

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

2.17 Earnings per Share

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

2.18 Provisions, Contingent Liabilities and Contingent Assets

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

2.19 Taxes on Income

a) Current Tax

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

a) **Deferred Tax**

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

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

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

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

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

2.20 Segment Reporting

Operating Segments are reported in a manner consistent with the Internal Reporting provided to the Chief Operating Decision Maker (CODM), Harshadkumar Patel (CMD), of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

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

2.21 Lease

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

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

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Note: 3A Property, Plant and Equipment							(INR in Lacs)
Particulars	Furniture & Fixtures	Plant & Machinery	Tankers	Storage Tanks	Computers	Vehicles	Total
Gross Carrying Value as on 01-04-2020	11.93	130.13	841.37	66.66	3.36	171.24	1,224.69
Addition during the period	0.39	2.12	592.31	51.42	1.82	23.18	671.24
Acquisitions through Business Combinations	-	-	-	-	-	-	-
Changes due to Revaluation	-	-	-	-	-	-	-
Deduction during the period*	-	1.55	53.78	0.62	-	7.79	63.74
Gross Carrying Value as on 31-03-2021	12.32	130.70	1,379.90	117.46	5.18	186.63	1,832.19
Addition during the period	-	33.03	557.86	9.19	1.90	104.87	706.85
Acquisitions through Business Combinations	-	-	-	-	-	-	-
Changes due to Revaluation	-	-	-	-	-	-	-
Deduction during the period**	-	1.70	92.46	-	-	-	94.16
Gross Carrying Value as on 31-03-2022	12.32	162.03	1,845.30	126.65	7.08	291.50	2,444.88
Accumulated Depreciation as on 01-04-2020	1.38	10.98	174.37	-	1.02	28.71	216.46
Addition during the period	1.11	12.98	163.53	25.98	1.33	29.26	234.19
Deduction during the period	-	0.48	0.37	-	-	3.70	4.55
Accumulated Depreciation as on 31-03-2021	2.49	23.48	337.53	25.98	2.35	54.27	446.10
Addition during the period	1.11	14.41	263.47	26.58	1.79	30.21	337.57
Deduction during the period	-	1.04	10.18	-	-	-	11.22
Accumulated Depreciation as on 31-03-2022	3.60	36.85	590.82	52.56	4.14	84.48	772.45
Net Carrying Value as at 31-03-2021	9.83	107.22	1,042.37	91.48	2.83	132.36	1,386.09
Net Carrying Value as at 31-03-2022	8.72	125.18	1,254.48	74.09	2.94	207.02	1,672.43

* Retirement in tankers of Rs. 9.18 lacs includes transfer of storage tanks at WDV of Rs. 6.28 lacs. The same is disclosed as addition to Storage tanks.

** Retirement in tankers of Rs. 53.78 lacs includes transfer of storage tanks at WDV of Rs. 51.42 lacs. The same is disclosed as addition to Storage tanks.

Out of total nineteen vehicles, three two- wheelers and six cars are registered in the name of the Directors

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Note: 3B Capital Work in Progress	INR in lacs
Balance as at 01-04-2020	30.53
Addition during the period	59.63
Capitalisation during the period	80.95
Balance as at 31-03-2021	9.20
Addition during the period	-
Capitalisation during the period	-
Balance as at 31-03-2022	9.20

Balance of Capital Work in Progress represents heavy vehicles under fabrication.

CWIP Ageing Schedule

Particulars	Amount in CWIP for Period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Vehicles Under Fabrication ason 31 March, 2022	-	9.20	-	-	9.20
Vehicles Under Fabrication ason 31 March, 2021	9.20				9.20

There is no capital-work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan.

Note: 3C Intangibles (Goodwill)

Goodwill was recognised on succession of promoter's proprietary business by A-1 Acid Private Limited in 2004. It is tested for impairment at end of each reporting period and not amortised.

Goodwill	INR in lacs
Balance as at 01-04-2020	31.00
Impairment during the year	-
Balance as at 31-03-2021	31.00
Impairment during the year	-
Balance as at 31-03-2022	31.00

		(INR in Lacs)	
4 Investments		As at	As at
		March 31, 2022	March 31, 2021
Investment in partnership Firm			
A-1 Sureja Industries		247.04	-
For share of profit of A-1 Acid Limited and other partners (Refer note 4.c)			
Total		247.04	-

a With effect from August 21, 2021, the company has entered as 45% partner in A1 Sureja Industries (partnership firm). The firm is mainly engaged in manufacturing of electric two wheelers and agricultural pumps.

b The amount invested in the firm has been disclosed as non current investment after adjusting its share of profit/(loss) in the firm

c for post acquisition period, as per IND AS 28 Investments in Joint Ventures and Associates.

c Details of Profit and Loss sharing ratio of the Firm after stake acquisition is as disclosed below:

Name of the Partners	As at March 31, 2022		As at March 31, 2021	
	Capital in the firm	Share of partners	Capital in the firm	Share of partners
A-1 Acid Ltd	247.04	45%	-	-
Bharatbhai Patel	5.29	1%	-	-
Hansa Patel	21.21	4%	-	-
Harshad Patel	151.76	50%	182.39	50%
Divyesh Sureja	-	-	(20.30)	10.00%
Gopal Sureja	-	-	11.62	7.50%
Jayshree Sureja	-	-	(1.31)	7.50%
Nirmala Sureja	-	-	(17.15)	7.50%
Ramnik Sureja	-	-	(1.45)	7.50%
Tushar Sureja	-	-	(22.14)	10.00%
Total	425.30	100%	131.66	100%

		(INR in Lacs)	
5 Other Financial Assets (Non-Current)		As at	As at
		March 31, 2022	March 31, 2021
Unsecured, Considered Good			
Security Deposits		244.26	238.80
Bank Deposits having maturity of more than 12 months*		202.00	1.00
Total		446.26	239.80

*Fixed Deposit of Rs. 1 lac pledged as security deposit with Supritendent of Prohibition Department

		(INR in Lacs)	
6 Other Non-Current Assets		As at	As at
		March 31, 2022	March 31, 2021
Capital Advance for Vehicles		21.51	-
Advance Payment of Income Tax		98.55	107.04
Less: Provision for Income Tax		94.08	103.24
Advance Tax (Net of Provision)		4.47	3.80
Total		25.98	3.80

		(INR in Lacs)	
7 Inventories		As at	As at
		March 31, 2022	March 31, 2021
Finished Goods		233.69	189.88
Total		233.69	189.88

		(INR in Lacs)	
8 Trade Receivables (Unsecured)		As at	As at
		March 31, 2022	March 31, 2021
Considered Good (Others)		4,630.95	3,627.48
Which have significant increase in Credit Risk		154.48	122.96

Sub Total	4,785.43	3,750.44
Less: Allowance for Expected Credit Loss	(154.48)	(122.96)
Total	4,630.95	3,627.48

Trade Receivable Ageing as at March 31, 2022 (INR in Lacs)

Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Trade Receivables Considered Good						
-Undisputed Dues	4,147.93	143.90	130.27	80.96	127.89	4,630.95
-Disputed Dues	-	-	-	-	-	-
Trade Receivables Considered Doubtful						
-Undisputed Dues	-	-	-	-	154.48	154.48
-Disputed Dues	-	-	-	-	-	-
Total	4,147.93	143.90	130.27	80.96	282.37	4,785.43

Trade Receivable Ageing as at March 31, 2021 (INR in Lacs)

Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Trade Receivables Considered Good						
-Undisputed Dues	3,158.35	131.78	129.92	19.99	187.44	3,627.48
-Disputed Dues	-	-	-	-	-	-
Trade Receivables Considered Doubtful						
-Undisputed Dues	-	-	-	-	122.96	122.96
-Disputed Dues	-	-	-	-	-	-
Total	3,158.35	131.78	129.92	19.99	310.40	3,750.44

		(INR in Lacs)	
9 Cash and Cash Equivalents		As at	As at
		March 31, 2022	March 31, 2021
Balances with Banks-In Current Account		4.38	13.29
-In Deposit Accounts with maturity of more than 12 months		202.00	1.00
Cash On Hand		5.26	33.70
Sub Total		211.64	47.99
Less: Bank Deposits having maturity of more than 12 months (Refer Note-4)		202.00	1.00
Total		9.64	46.99

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		(INR in Lacs)	
10 Loans (Current)		As at	As at
		March 31, 2022	March 31, 2021
Loans Considered Good- unsecured -Loan to Body Corporate		0.92	71.64
Total		0.92	71.64

		(INR in Lacs)	
11 Other Financial Assets (Current)		As at	As at
		March 31, 2022	March 31, 2021
Advance to Contracted Labour		0.61	0.36
Interest Receivable on Deposits		0.09	1.59
Total		0.70	1.95

No loans and advances are granted to promoters, directors, KMPs and the related parties (as defined under the Act), either severally or jointly with any other person.

		(INR in Lacs)	
12 Other Current Assets		As at	As at
		March 31, 2022	March 31, 2021
Prepaid Expenses		26.86	23.44
Balance with Statutory Authorities		104.07	60.40
Contractual Discount receivable		286.37	267.32
Advance to Suppliers		236.01	142.51
Insurance Claim Receivable		8.50	-
Total		661.81	493.67

21	Revenue From Operations	(INR in Lacs)	
		Year ended on March 31, 2022	Year ended on March 31, 2021
	Sale of Goods*	29,911.64	13,982.92
	Sale of Service	1,124.40	535.43
	Total	31,036.04	14,518.35

* Sale of Goods is net of Discounts given and Rates difference (Rs. 716.88 lacs and Rs. 3.38 lacs respectively for year ended on 31.3.2022 & Rs. 529.04 lacs and Rs 3.94 lacs respectively for year ended on 31.3.2021)

Sale of Goods (exclusive of Discount and Rate Difference) Comprise of	(INR in Lacs)	
	Year ended on March 31, 2022	Year ended on March 31, 2021
Acetic Acid	2,145.84	309.70
Hydrochloric Acid	147.64	480.06
T.G.Urea	6,632.11	2,465.59
Concentrated Nitric Acid	5,149.86	2,134.19
Nitric Acid	1,040.99	1,185.26
Ethly Acetate	2,103.65	820.63
Sulphuric Acid	798.59	1,354.25
WNA 61% & 61.5%	8,629.43	3,811.20
WNA 68%	321.51	234.61
WNA 72%	833.71	510.68
WNA 18% to 40%	1,404.84	122.26
Nitro Benzene	11.86	42.49
Methanol	624.84	618.95
Others	820.37	457.58
Less: Sales Returns	(33.34)	(31.55)
Less: Discounts and Rate difference	(720.26)	(532.98)
Total	29,911.64	13,982.92

Sale of Service Comprise of	Year ended on March 31, 2022	Year ended on March 31, 2021
Transport Receipts	1,124.40	535.43

22	Other Income	(INR in Lacs)	
		Year ended on March 31, 2022	Year ended on March 31, 2021
	Interest Income		
	-From Bank	2.23	0.06
	-From Others	10.26	19.43
	Lifting Income*	386.43	335.25
	Commission	-	15.45
	Gain on Sale of Property, Plant and Equipment	-	11.19
	Miscellaneous Income	1.89	3.68
	Total	400.81	385.06

* Lifting income is incentive or income earned by the company for taking/lifting excess HCL stock/production from manufacturing units. Such income is booked net of incentive passed on to vendors.

		(INR in Lacs)	
23	Changes in Inventory of Finished Goods	Year ended on March 31, 2022	Year ended on March 31, 2021
	Inventories at the end of the year		
	Finished Goods	233.69	189.88
	Inventories at the beginning of the year		
	Finished Goods	189.88	109.79
	Net (Increase)/Decrease	(43.81)	(80.09)
(INR in Lacs)			
24	Employee Benefit Expenses	Year ended on March 31, 2022	Year ended on March 31, 2021
	Salary, wages and Bonus	86.75	69.18
	Managerial Remuneration	156.36	156.36
	Staff Welfare	3.16	4.64
	Director's Insurance Premium	9.76	7.18
	Total	256.03	237.36
(INR in Lacs)			
25	Finance Cost	Year ended on March 31, 2022	Year ended on March 31, 2021
	Interest Cost		
	-On Vehicle Loans	45.37	43.29
	-On Working Capital Loan	69.83	17.36
	-On Statutory Dues	0.96	7.21
	Other Borrowing Cost	4.50	4.21
	Total	120.66	72.07
(INR in Lacs)			
26	Other Expenses	Year ended on March 31, 2022	Year ended on March 31, 2021
	Administration Expense		
	Duties & Taxes	1.81	14.14
	Insurance Expense	23.19	25.58
	Water, Fuel & Electricity Expense	21.92	14.17
	Stationery & communication expenses	2.26	4.85
	Repairs and Maintenance		
	Office	5.47	7.64
	Office Equipments	7.01	1.38
	Computer	0.65	0.88
	Vehicles	10.10	13.75
		23.23	23.65
	Auditor's Remuneration	2.53	1.00
	Bad debts written off	24.47	20.99
	Provision for Bad Debts written back	(24.47)	(20.99)
	Provision for Bad Debts	56.00	11.32
	Director Sitting Fees	0.99	0.75
	Legal & Professional Expense	43.27	17.37
	Rent Expense	98.80	96.21
	Travelling Expense	1.75	1.47
	Donation	0.12	0.13
	Corporate Social Responsibility Expenses	-	2.50
	Penalty	2.38	2.23
	Loss on Sale of Property, Plant and Equipment	5.15	-
	Miscellaneous Expenses	14.04	15.55
	Share of Loss from Associate	14.61	-
	Selling & Distribution Expense		
	Sales Promotion Expenses	14.45	12.79
	Distribution expense	3.31	4.07
	Sales Commission	117.68	64.53
	Advertisement Expenses	0.90	0.67
	Total	448.39	312.98

26.1 Particulars	Year ended on March 31, 2022	Year ended on March 31, 2021
Payment to Statutory Auditors		
For Audit Fees	2.50	1.00
For Certification	0.03	
Total	2.53	1.00

(INR in Lacs)		
27 Tax Expense	Year ended on March 31, 2022	Year ended on March 31, 2021
Current Tax Provision	228.81	97.42
Tax for earlier years	-	4.77
Deffered Tax (Also Refer Note 16)	(10.96)	40.26
Total	217.85	142.44

Income Tax Expense Reconciliation

Particulars	Year ended on March 31, 2022	Year ended on March 31, 2021
Profit Before Tax	848.37	415.47
Tax Expense at applicable Tax rate (25.17%)	213.53	104.57
Permanent Differences	4.32	33.10
Adjustment recognised in the current year in relation to prior years expense	-	4.77
Total	217.85	142.44
Effective Tax Rate	26%	34%

Earning Per Share (EPS)

28 Particulars	Year ended on March 31, 2022	Year ended on March 31, 2021
Profit Attributable to Equity Shareholders from Continuing Operations (Profit After Tax)	630.52	273.02
Weighted Average shares used for calculating for EPS	115.00	115.00
Face Value of each Share	10.00	10.00
Basic & Diluted Earnings per share	5.48	2.37
As per INDAS-33, the EPS has been restated for previous year due to take impact of issue of bonus shares during the year.		

Contingent Liabilities

(INR in Lacs)		
29 Particulars	As at March 31, 2022	As at March 31, 2021
Contingent Liability not provided for claims against the Company not acknowledged as debt		
Bank Guarantee for Performance and Earnest money	4.28	-
Estimated amount of contracts remaining to be executed on Capital Account.	-	-

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30 Related Party Disclosures

a Subsidiary/ Joint Venture/ Associate

Name of the Entity	Type
A-1 Sureja Industries	Associate

b Key Management Personnel and relatives

Name of Key Managerial	Designation
Harshad N. Patel	Chairman & Managing Director
Jitendra N. Patel	Whole Time Director
Helly H. Patel (Resigned w.e.f July 09, 2021)	Director
Krishna U. Patel	Director
Utkarsh H. Patel (Reappointed w.e.f August 06, 2021)	Whole Time Director
Himanshu Thakkar	CFO
Aanal Patel	Company Secretary
Chirag Rajnikant Shah	Independent Director
Lajju Hemang Shah	Independent Director
Nitinbhai Rikhavbhai Shah	Independent Director
Hansaben Patel (Resigned w.e.f. July 09, 2021)	Independent Director
Suresh Somnath Dave (Appointed w.e.f January 27,2022)	Independent Director
Name of Relatives	Relation
Ritaben H Patel	Wife of Chairman
Binduben J Patel	Wife of Whole Time Director
Jitendra N Patel	Whole time Director
Krishnaben N Patel	Mother of Whole Time Director and Chairman

c Entities controlled by Directors/ Relative of Directors

Express Chemical Corporation
Avkar Chemical Industries
Numeron Multicuisine Restaurant

Material Transactions with Related Parties (INR in Lacs)

Name of Related Party	Remunerat ion	Director Sitting Fees	Sales Promotion	Rent Paid	Investment	Share of Profit/(Loss) from an Associate	Outstanding Balance as at March 31,2022	March 31,2021
Harshadkumar N Patel	66.12 (66.00)	-	-	29.57 (30.00)	-	-	-	-
Jitendra N.Patel	48.12 (48.12)	-	-	31.16 (32.09)	-	-	-	-
Utkarsh H.Patel	42.12 (42.12)	-	-	-	-	-	-	-
Krishnaben N.Patel	-	-	-	16.91 (16.91)	-	-	-	-
Binduben J.Patel	-	-	-	8.45 (8.45)	-	-	-	-
Ritaben H.Patel	-	-	-	8.45 (8.45)	-	-	-	-
Himanshu Thakkar	10.40 (7.20)	-	-	-	-	-	-	-
Aanal Patel	1.80 (1.80)	-	-	-	-	-	-	-
Chirag Rajnikant Shah	-	0.33 (0.15)	-	-	-	-	-	-
Lajju Hemang Shah	-	0.33 (0.18)	-	-	-	-	-	-
Urvish Ratilal Patel	-	- (0.09)	-	-	-	-	-	-

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Nitinbhai Rikhabhai Shah	-	0.33 (0.09)	-	-	-	-	-	-
Hansaben Patel	-	(0.24)	-	-	-	-	-	-
Numeron Multicuisine Restaurant	-	-	0.22 (1.14)	-	-	-	-	0.14
A-1 Sureja Industries					261.65	(14.61)	247.04	-
Total	168.56 (165.24)	0.99 (0.75)	0.22 (1.14)	94.54 (95.90)	261.65	(14.61)	247.04	0.14

Previous Years figures for transactions are mentioned in brackets

31 Fair Value Measurements

Financial Instrument by their category and their fairvalue

(INR in Lacs)

As at March 31, 2022	Carrying Value				Fair Value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Trade Receivables	-	-	4,630.95	4,630.95	-	-	4,630.95	4,630.95
Cash & Cash Equivalents	-	-	9.64	9.64	-	-	9.64	9.64
Loans	-	-	0.92	0.92	-	-	0.92	0.92
Other Financial Assets								
Non Current	-	-	446.26	446.26	-	-	446.26	446.26
Current	-	-	0.70	0.70	-	-	0.70	0.70
Total Financial Assets	-	-	5,088.47	5,088.47	-	-	5,088.47	5,088.47
Financial Liabilities								
Borrowings								
Non Current	-	-	545.33	545.33	-	-	545.33	545.33
Current	-	-	2,052.52	2,052.52	-	-	2,052.52	2,052.52
Trade Payables	-	-	303.89	303.89	-	-	303.89	303.89
Total Financial Liabilities	-	-	2,901.74	2,901.74	-	-	2,901.74	2,901.74

As at March 31, 2021	Carrying Value				Fair Value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Trade Receivables	-	-	3,627.48	3,627.48	-	-	3,627.48	3,627.48
Cash & Cash Equivalents	-	-	46.99	46.99	-	-	46.99	46.99
Loans	-	-	71.64	71.64	-	-	71.64	71.64
Other Financial Assets								
Non-Current	-	-	239.80	239.80	-	-	239.80	239.80
Current	-	-	1.95	1.95	-	-	1.95	1.95
Total Financial Assets	-	-	3,987.86	3,987.86	-	-	3,987.86	3,987.86
Financial Liabilities								
Borrowings								
Non Current	-	-	364.75	364.75	-	-	364.75	364.75
Current	-	-	1,296.62	1,296.62	-	-	1,296.62	1,296.62
Other Financial Liabilities								
Trade Payables	-	-	138.52	138.52	-	-	138.52	138.52
Total Financial Liabilities	-	-	1,799.89	1,799.89	-	-	1,799.89	1,799.89

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

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

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

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

There were no transfers between the levels during the year

Valuation Process

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

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

32 Financial Risk Management

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

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

Risk Management Framework

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

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

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I Credit Risk

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

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

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

Movement in allowance for bad and doubtful debts	(INR in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	122.96	132.63
Add: Allowance made during the year	56.00	11.32
Less: Reversal of allowance made during the year	24.47	20.99
Balance at end of the year	154.49	122.96

II Liquid Risk

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

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

i) Exposure to Liquid Risk

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

As at March 31, 2022	Carrying Amount	Contractual Cashflows				Total
		<1 year	1-2 Years	3-5 years	>5 years	
Financial Liabilities						
Borrowings						
Non Current	545.33	244.06	285.11	16.16	-	545.33
Current	2,052.52	2,052.52	-	-	-	2,052.52
Other Financial Liabilities						
Trade Payables	303.89	303.89	-	-	-	303.89
Total Financial Liabilities	2,901.74	2,600.47	285.11	16.16	-	2,901.74

(INR in Lacs)

As at March 31, 2021	Carrying Amount	Contractual Cashflows				Total
		<1 year	1-2 Years	3-5 years	>5 years	
Financial Liabilities						
Borrowings						
Non Current	364.75	-	252.70	112.35	-	365.05
Current	1,296.62	1,296.62	-	-	-	1,296.62
Other Financial Liabilities						-
Trade Payables	138.52	138.52	-	-	-	138.52
Total Financial Liabilities	1,799.89	1,435.14	252.70	112.35	-	1,800.19

III Market Risk

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

a) Currency Risk

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

b) Interest Risk

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

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

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i) Exposure to interest rate risk		(INR in Lacs)	
Particulars	As at March 31, 2022	As at March 31, 2021	
Fixed Rate Instruments			
Financial Liabilities			
Non Current	545	183	
Current	376	272	
Total (A)	921	455	
Variable Rate Instruments			
Financial Liabilities			
Non Current	-	182	
Current	1,677	1,024	
Total (B)	1,677	1,206	
Total Borrowings (A+B)	2,598	1,661	
% of Borrowings bearing Variable inter	65%	73%	

ii) Interest Rate Sensitivity		
Particulars	2021-22	2020-2021
50bp increase would decrease the Profit Before Tax b	8	6
50bp decrease would increase the Profit Before Tax b	8	6

iii) Price Risk

As on March 31, 2022, the company has no exposure on security price Risks.

33 Capital management

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

The gearing ratio at the end of the reporting period is as follows:

(INR in Lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Debt	2,598	1,661
Cash & Bank Balances	(212)	(48)
Net Debt	2,386	1,613
Equity	4,651	4,021
Net Debt to Equity Ratio	51%	40%

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34 Expenditure on Corporate Social Responsibility activities

- a) Gross amount required to be spent by the Company during the year FY 21-22 was NIL (P.Y. NIL) under section 135 of the Companies Act, 2013. Unspent amount Of Rs. 3 lacs to be utilised in FY 19-20 has been utilised in FY 20-21
- b) Details of Expenditure on CSR is as below:

Particulars	For the year ended March 31,2022			For the year ended March 31,2021		
	Paid in cash	Yet to be Paid in cash	Total	Paid in cash	Yet to be Paid in cash	Total
(i) Construction/Acquisition of Asset	-	-	-	-	-	-
(ii) purpose other than (i) above	-	-	-	3	-	3

35 Segment Information

There are no separate reportable segments as per IND AS 108 as the entire operations of the Company relate to single segment viz. Trading of Acids and Chemicals.

- 36 Ministry of Corporate Affairs notifies new standard or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23,2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st 2022, as below:

IND AS 103- Reference to Conceptual Framework

IND AS 16- Proceeds from Intended Use

IND AS 37- Costs of fulfilling a Contract

IND AS 109- Annual Improvements to IND AS (2021

IND AS 106- Annual Improvements to IND AS (2021

The Company has evaluated the amendments and there is no material impact of these amendments on Standalone financial Statements.

37 Additional Regulatory Information

a Ratios	Numerator	Denominator	31.3.22 Ratio	31.3.21 Ratio	Variance
(i) Current Ratio	Current Assets	Current Liabilities	2.03	2.67	-24%
(ii) Debt-Equity Ratio (1)	Total Debt	Shareholder's Equity	0.56	0.52	8%
(iii) Debt Service Coverage Ratio (2)	Earnings available for Debt Servicing	Total Debt service	2.69	1.65	63%
(iv)Return on Equity Ratio (%)	Profit After Taxes	Average Shareholder's Equity	13.56%	6.79%	100%
(v)Inventory turnover ratio (in days)	Cost of Goods Sold	Average Inventory	2.77	3.77	-26%
(vi)Trade Receivables turnover ratio (In days)	Revenue from Operations	Average Trade Receivables	50.19	76.69	-35%
(vii)Trade payables turnover ratio (In days)	Purchase of Goods & services and Other expense	Average Trade Payables	2.70	2.15	25%
(viii) Net Capital turnover	Revenue from Operations	Working Capital	11.04	5.24	111%
(vii)Net Profit Ratio	Net Profit After Taxes	Revenue from Operations	2%	2%	-
(viii)Return on Capital Employed (3)	Earning Before Interest and Tax	Capital Employed	0.13	0.08	59%
(ix)Return on Investment	Income from Investments	Cost of Investment	-0.06	NA	

- 1 Total Debt = Current Borrowings + Non Current Borrowings
- 2 Earnings available for Debt Servicing= Net profit before taxes+ Interest+ Depreciation+ adjustment for non operational income/expenses
- 3 Capital Employed= Tangible Networth + Total Debt+ Deferred Tax Liability
- 4 Working Capital= Current Assets- current liabilities

Reason For Variance above 25% in ratios

- 1 Return on Equity, , Debt Service Coverage Ratio & Return on Capital Employed Ratio: The Return ratios have improved on account of increased profitability vis a vis last year
 - 2 Net Capital Turnover:The ratio has improved on account of increased profitability and revenue from operations vis a vis last year
 - 3 Inventory Turnover, Trade Payable & Receivable Turnover Ratio: The ratios have improved on account of efficient working capital cycle management
- b** The company has complied with the number of layers prescribed under clause (87)of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- c** Company has no balance outstanding for transactions done with the Companies Struck Off either under section 248 of the Act or under Section 560 of Companies act 1956.
- d** No undisclosed Income is voluntarily disclosed under any scheme identified by Income tax authorities under any tax assessments under the Income Tax Act.
- e** The Company has neither traded nor invested in crypto currency during the financial year.

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f No Proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

g The Company donot have charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

h The Company is not declared as willful defaulter by any bank or Financial Institution or other lender.

i Utilisation of Borrowed funds and Share Premium

a) During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

38 Approval of Standalone Financial Statements

The Standalone financial statements are approved for issue by Audit Committee and Board of Directors at their meetings held on May 10, 2022

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

The notes on account form integral part of the financial Statement 1 to 39

As per our Report of even date attached

For, Riddhi P. Sheth & Co.	For and on Behalf of Board	
Chartered Accountants	Sd/-	Sd/-
Firm egistration No. : 140190W	Harshadkumar Patel	Jitendra Patel
	Chairman & Managing	Whole Time Director
	(DIN: 00302819)	(DIN: 00164229)
Sd/-	Sd/-	Sd/-
Riddhi P.Sheth	Himanshu Thakkar	Aanal Patel
Proprietor	CFO	Company Secretary
Membershi .No.159123		
Place : Ahmedabad	Place : Ahmedabad	
Date: May 10, 2022	Date: May 10, 2022	

INDEPENDENT AUDITORS' REPORT

To the members of A-1 Acid Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of A-1 Acid Limited (hereinafter referred to as the "Holding Company") and its associate firm which comprise the Consolidated Balance Sheet as at March 31 2022, the Consolidated Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Consolidated Statement of Cash flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such associate firm as were audited by the other auditors, the aforesaid Consolidated 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 Indian accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Holding Company and its joint venture as at March 31, 2022, the Consolidated profit, Consolidated total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Holding Company and its associate firm in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act 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 we have obtained and evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated 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 Consolidated Financial Statements for the current period. These matters were addressed in the context of our audit of the Consolidated 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. No.	Key Audit Matter	Auditor's Response
	<p>Recoverability assessment of trade receivables: The Holding Company has a net trade receivables of INR 4630.95 Lacs after providing for bad and doubtful debts of INR 154.48 Lacs as at 31st March,2022.</p> <p>Trade receivables of the Holding 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 Holding Company's customers. In particular, in the event of insolvency of customers, the Holding Company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements Of the agreements.</p> <p>The recoverable amount was estimated by management based on their specific recoverability assessment on individual debtor with reference to the aging profile, historical payment pattern and the past record of default of the customer.</p> <p>Management would make provision based on the established model as well as specific provision against individual balances with reference to its recoverable amount.</p> <p>For the purpose of establishing provisioning model to make provision for bad and doubtful debts, significant judgments and assumptions, including the credit risks of customers, the timing and amount of realisation of these receivables, are required to be made.</p>	<p>Our response to the risk: We tested the design and operating effectiveness of key controls focusing on the following: - Identification of loss events, including early warning and default warning indicators; - Assessment and approval of individual loss provisions; - Governance including model validation and the assessment of the suitability of models, appropriateness of assumptions, and approval of provisions; and Completeness and accuracy of data input into models and provision calculators.</p> <p>We have performed the following procedures in relation to the recoverability of trade receivables:</p> <ul style="list-style-type: none"> • Tested the accuracy of aging of trade receivables at year end on a sample basis; • Obtained a list of outstanding receivables and identified any debtors with financial difficulty through discussion with management as well as conducting market research on the industry; • Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers and to consider if any additional provision should be made; and • Tested subsequent settlement of trade receivables after the balance sheet date on a Sample basis if any, <p>For modeled provisions, we tested data inputs used for modeled provisions. We assessed the appropriateness of the models used.</p> <p>Were performed the provision calculations and compared our measurement outcome to that prepared by management and investigated any Differences arising.</p> <p>We assessed the appropriateness and presentation of disclosures against relevant accounting standards.</p>

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditors' responsibilities Relating to other information'.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated state of affairs, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Holding Company including its associate firm in accordance with the Ind AS and other accounting principles generally accepted in India. The Board of Directors of the Holding Company and of its associate firm are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of Holding 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the Board of Directors of the Holding Company and of its associate firm are responsible for assessing the ability of the Holding Company 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 Holding Company and its associate firm or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Holding Company and of its associate firm is also responsible for overseeing the financial reporting process of Holding Company and associate firm .

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Consolidated Financial Statements.

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

Identify and assess the risks of material misstatement of the Consolidated 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 controls 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 Holding Company has adequate internal financial controls with reference to Consolidated Financial Statements 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 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 ability of the Holding Company and its associate firm to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated 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 auditors' report. However, future events or conditions may cause the Holding Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Holding Company and its associate firm to express an opinion on the Consolidated Financial Statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraphs (a) and (b) of the Other Matters

paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 financial statements

We communicate with those charged with governance of the Holding Company 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 Consolidated Financial Statements for the financial year ended March 31, 2022, and are therefore the key audit matters. We describe these matters in our auditors' 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.

Other Matters

1. The Consolidated Financial Statements includes the audited financial results of:
 - a) 1 (one) associate firm, whose financial statements include the Holding Company's share of net loss of INR 14.61 lakhs for the year ended March 31, 2022, which has been audited by its independent auditor.

The independent auditors' report on the financial statements of these entity have been furnished to us by the Management of the Holding Company and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in the paragraph above.

Our opinion above on the Consolidated Financial Statements and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and financial information certified by the Management of the Holding Company.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on the separate financial statements and other financial information of the associate firm, referred to in the Other Matters section above we report to the extent applicable, that:

- (a) We/ the other auditors whose reports we have relied upon 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 of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS 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 of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company none of the directors of the Holding Company is disqualified as on March 31, 2022 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 and the operating effectiveness of such controls with reference to these Consolidated Financial Statements of the Holding Company refer to our separate Report in "Annexure A" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that:
- In our opinion and according to the records of the Holding Company examined by us and the information and explanation given to us, the Holding 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 Auditors' 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the associate firm, as noted in the 'Other Matters' paragraph:
- i. The Holding Company does not have any pending litigations which would impact its financial position
 - ii. The Holding 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 Holding Company.
 - iv. (a) The Management of Holding Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by

the Holding Company to or in any other persons or any entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(b) Management of Holding Company has represented that to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Holding Company from any persons or any entities, including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the Holding Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. (a) The Holding Company did not declare or paid dividend during the year hence question of compliance with section 123 of the Companies Act, 2013 does not arise
2. With respect to the matters specifies in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Company, we report that CARO is not applicable to its associate firm whose accounts are included in the consolidated financial statements of the Company.

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

Sd/-
(Riddhi P.Sheth)
Proprietor
Membership No. 159123
UDIN: 22159123AIROQK6097

Place: Ahmedabad.

Date: May 10,2022

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, 2022 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 ("hereinafter referred to as the "Holding Company") as of March 31, 2022 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 Holding 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 Holding 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 Holding 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 Holding 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Place: Ahmedabad.

Date: May 10, 2022

A-1 ACID LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(INR in Lacs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3A	1,672.43	1,386.09
Capital Work-In- Progress	3B	9.20	9.20
Goodwill	3C	31.00	31.00
Financial Assets			
(i) Investments	4	247.04	-
(ii) Other Financial Assets	5	446.26	239.80
Other Non-Current Assets	6	25.98	3.80
Total Non-Current Assets (A)		2,431.91	1,669.89
Current Assets			
Inventories	7	233.69	189.88
Financial Assets			
(i) Trade Receivables	8	4,630.95	3,627.48
(ii) Cash and Cash Equivalents	9	9.64	46.99
(iii) Loans	10	0.92	71.64
(iv) Other Financial Assets	11	0.70	1.95
Other Current Assets	12	661.81	493.67
Total Current Assets (B)		5,537.71	4,431.61
Total Assets (A+B)		7,969.62	6,101.50
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	1,150.00	1,000.00
Other Equity	14	3,501.40	3,020.87
Total Equity (A)		4,651.40	4,020.87
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	15	545.33	364.75
Deferred Tax Liabilities (Net)	16	45.16	56.12
Total Non-Current Liabilities (B)		590.49	420.87
Current Liabilities			
Financial Liabilities			
(i) Borrowings	17	2,052.52	1,296.62
(ii) Trade Payables	18	303.89	138.52
Other Current Liabilities	19	357.01	209.04
Current Tax Liabilities (Net)	20	14.31	15.58
Total Current Liabilities (C)		2,727.73	1,659.76
Total Liabilities (A+B+C)		7,969.62	6,101.50

The notes on account form integral part of the financial Statement 1 to 39

As per our Report of even date attached

For, Riddhi P. Sheth & Co.

Chartered Accountants

Firm Registration No.: 140190W

Sd/-

Riddhi P. Sheth

Proprietor

Membership No.159123

Place : Ahmedabad

Date: May 10, 2022

For and on Behalf of Board

Sd/-

Harshadkumar Patel

Chairman & Managing Director

(DIN: 00302819)

Sd/-

Himanshu Thakkar

CFO

Place : Ahmedabad

Date: May 10, 2022

Sd/-

Jitendra Patel

Whole Time Director

(DIN: 00164229)

Sd/-

Aanal Patel

Company Secretary

A-1 ACID LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31,2022

Particulars	Notes	(INR in Lacs)	
		Year ended on March 31, 2022	Year ended on March 31, 2021
Revenue from Operations	21	31,036.04	14,518.35
Other Income	22	400.81	385.06
Total Income		31,436.85	14,903.41
EXPENSES			
(i) Purchase of Stock-In-Trade		27,888.25	12,423.88
(ii) Transport Expenses		1,584.30	1,240.88
(iii) Changes in Inventory of Finished Goods	23	(43.81)	(80.09)
(iv) Employee Benefit Expenses	24	256.03	237.36
(v) Finance Costs	25	120.66	72.07
(vi) Depreciation and Amortization Expense	3B	334.66	280.86
(vii) Other Expenses	26	433.78	312.98
Total Expense		30,573.87	14,487.94
Profit Before Tax and Share of Profit/(loss) from an Associate		862.98	415.47
Tax Expense			
(i) Current Tax	27	228.81	97.42
(ii) Deferred Tax	27	(10.96)	40.26
(ii) Tax for earlier years		-	4.77
Profit for the year Before Share of Profit/(loss) from an Associate		645.13	273.02
Share of Profit/(loss) from an Associate		(14.61)	-
Other Comprehensive Income			
(i) Items that will not be reclassified to Profit and Loss		-	-
(ii) Income Tax on items that will not be reclassified to Profit and Loss		-	-
(iii) Items that will be reclassified to Profit and Loss		-	-
(ii) Income Tax on items that will be reclassified to Profit and Loss		-	-
Total Comprehensive Income for the year		630.52	273.02
Earning Per Share : Basic & Diluted	28	5.48	2.37

The notes on account form integral part of the financial Statement 1 to 39

As per our Report of even date attached

For, Riddhi P. Sheth & Co.
Chartered Accountants
Firm Registration No.: 140190W

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

Place : Ahmedabad
Date: May 10, 2022

For and on Behalf of Board

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

Sd/-
Himanshu Thakkar
CFO

Place : Ahmedabad
Date: May 10, 2022

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

Sd/-
Aanal Patel
Company Secretary

CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31,2022

(INR in Lacs)

Particulars	Year ended on March 31, 2022	Year ended on March 31, 2021
A Cash from Operating Activities		
Profit Before Tax	862.98	415.07
Adjustments for:		
Depreciation	334.66	281.16
Finance Cost	115.20	60.95
Share of Profit from Associate	(14.61)	
Sundry Balance Written Off	(2.40)	4.89
Provision for Expected Credit Loss	56.00	11.32
Interest Income	(10.26)	(19.43)
Loss on sale of Fixed Assets	5.15	(11.19)
Operating Profit before Changes in Working Capital	1,346.72	742.77
Movements in Working Capital		
Decrease/ (Increase) in Other Financial Non current Assets	(206.46)	0.87
Decrease/ (Increase) in Inventories	(43.81)	(80.09)
Decrease/ (Increase) in Trade Receivables	(1,057.06)	(1,170.23)
Decrease/ (Increase) in Other Current Financial Assets	1.24	26.50
Decrease/ (Increase) in Other Current Assets	(168.14)	110.09
(Decrease)/ Increase in Trade Payables	165.37	112.28
(Decrease)/ Increase in Other Current liability	147.97	(111.69)
Cash Generated from Operations	185.83	(369.50)
Income Tax (Paid)/Received	(206.02)	(23.15)
Net Cash generated/(used in) from Operating Activities	(20.19)	(392.65)
B Cash Flow from Investment Activities		
Purchase of Property, Plant & Equipment including Capital Advances and Capital Work in Progress	(743.88)	(597.23)
Investment in an Associate	(247.04)	-
Sale of Property, Plant & Equipment	71.50	19.61
Interest Income	10.26	19.43
Net Cash generated/(used in) from Investment Activities	(909.16)	(558.19)
C Cash From Financing Activities		
Repayment of Non Current Borrowings	180.58	17.66
Proceeds/(repayment) from Current Borrowings	755.90	1,007.27
Repayment of Lease Liabilities		(39.75)
Loans given/recovered	70.72	17.34
Interest Paid	(115.20)	(60.95)
Net Cash generated/(used in) From Financing Activities	892.00	941.57
Net Increase/Decrease in Cash & Cash Equivalents	(37.35)	(9.27)
Cash & Cash Equivalents at the beginning of the year	46.99	56.26
Cash & Cash Equivalents at the end of the year	9.64	46.99

Note to Cash Flow Statement:

1

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

2 The Group has total sanctioned limit (fund & non-fund based) of Rs.2300 lakhs (P.Y. 1400 lakhs) with banks, out of which 1677 lakhs (P.Y. 944 lakhs) has been utilised.

3 Cash And Cash Equivalents comprises of:

Particulars	As at March 31, 2022	As at March 31, 2021
Cash On Hand	5.26	33.70
Balances with Banks-In Current Account	4.38	13.29
Cash and Cash Equivalents as per Note 9	9.64	46.99
Cash and Cash Equivalents as per Cash Flow	9.64	46.99

A-1 ACID LIMITED**4 Disclosure as required by IND AS 7**

Reconciliation of liabilities arising from financing activities

As at March 31, 2022**(INR in Lacs)**

Particulars	Opening Balance	Cashflows	Non Cash Changes	Closing Balance
Current Borrowings (including Current maturities of Long term Debt)	1,296.62	755.90	-	2,052.52
Non Current Borrowings	364.75	180.58	-	545.33
Total liabilities fom financing activities	1,661.37	936.48	-	2,597.85

As at March 31, 2021

Particulars	Opening Balance	Cashflows	Non Cash Changes	Closing Balance
Current Borrowings (including Current maturities of Long term Debt)	289.65	1,007.27	-	1,296.62
Non Current Borrowings	347.09	17.66	-	364.75
Total liabilities fom financing activities	636.74	1,024.93	-	1,661.37

The Notes on Account form Integral part of the Financial Statements 1 to 39

As per our report of even date attached

For, Riddhi P. Sheth & Co.
Chartered Accountants
Firm Registration No. : 140190W

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

Place : Ahmedabad
Date: May 10, 2022

For and on Behalf of Board

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

Sd/-
Himanshu Thakkar
CFO

Place : Ahmedabad
Date: May 10, 2022

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

Sd/-
Aanal Patel
Company Secretary

A-1 ACID LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31,2022

(INR in Lacs)	
Equity Share Capital	Amount
Balance as at April 01,2020	1,000.00
Changes in equity Share Capital due to prior period erros	-
Restated Balance as at April 01, 2020	1,000.00
Changes During the year	-
Balance as at March 31,2021	1,000.00
Changes in equity Share Capital due to prior period erros	-
Restated Balance as at April 01, 2021	1,000.00
Changes During the year	150.00
Balance as at March 31,2022	1,150

The company has issued 3 equity bonus shares for every 20 equity shares during the year ended on March 31,2022.

				(INR in Lacs)
Other Equity	General Reserve	Securities Premium	Retained Earnings	Total
Balance as at April 01,2020	32.61	1,370.78	1,344.47	2,748.44
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance as at April 01, 2020	32.61	1,370.78	1,344.47	2,748.44
Total Comprehensive Income for the year			273.02	273.02
Balance as at March 31,2021	32.61	1,370.78	1,617.49	3,020.87
Changes in accounting policy or prior period errors	-	-	-	-
Issue of Bonus Shares	-	-	(150.00)	(150.00)
Total Comprehensive Income for the year			630.52	630.52
Balance as at March 31,2022	32.61	1,370.78	2,098.01	3,501.40

The notes on account form integral part of the financial Statement 1 to 39

As per our Report of even date attached

For, Riddhi P. Sheth & Co.

Chartered Accountants

Firm Registration No.: 140190W

Sd/-

Riddhi P.Sheth

Proprietor

Membership No.159123

For and on Behalf of Board

Sd/-

Harshadkumar Patel
Chairman & Managing
Director
(DIN: 00302819)

Sd/-

Himanshu Thakkar
CFO

Sd/-

Jitendra Patel

Whole Time Director
(DIN: 00164229)

Sd/-

Aanal Patel
Company Secretary

Place : Ahmedabad

Date: May 10, 2022

Place : Ahmedabad

Date: May 10, 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2022

1 GROUP'S OVERVIEW

The consolidated financial statements comprise Financial Statements of A-1 Acid Limited and Share of Profit/(Loss) from an Associate A-1 Sureja Industries. A-1 Acid Limited is a Limited Group domiciled in India and incorporated under the Provisions of Companies Act, 1956. The Group is engaged in the wholesale trading of Acid & Chemicals and also in transportation business. The Group was listed with BSE Limited on SME platform from October 10, 2018. Whereas, an associate A-1 Sureja Industries is mainly engaged in manufacturing of electric two wheelers and agricultural pumps.

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind AS) 110 "Consolidated Financial Statements"

2 SIGNIFICANT ACCOUNTING POLICIES, KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

2.1 Basis of Preparation

a) Statement of Compliance

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

b) Basis of Preparation

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

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

2.2 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Group and entity controlled by the Group i.e. its subsidiary. The consolidated Financial Statements also include the Group's Share of Profits from Associate that are consolidated using Equity method. The results of Associate acquired during the year are included in the Consolidated Statement of Profit and Loss from the effective date of acquisition.

Wherever necessary, adjustments are made to the financial statements of subsidiaries and joint arrangements to bring their accounting policies in line with those used by other members of the Group. Intra-group transactions, balances, income and expenses are eliminated on consolidation.

2.3 Business Combinations

Acquisition of subsidiaries and businesses are accounted for using the purchase method. The consideration transferred in each business combination is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree.

Acquisition related costs are recognised in the consolidated statement of profit and loss.

Goodwill arising on acquisition is recognised as an asset and measured at cost, being the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, after re-assessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve on consolidation.

A-1 ACID LIMITED

Once control has been achieved, any subsequent acquisitions where the Group does not originally hold hundred percent interest in a subsidiary are treated as an acquisition of shares from non-controlling shareholders. The identifiable net assets are not subject to further fair value adjustments and the difference between the cost of acquisition of the non-controlling interest and the net book value of the additional proportion acquired is adjusted in equity. The amount of non-controlling interests in the acquiree is measured either at the non-controlling interests proportion of the net fair value of the assets, liabilities and contingent liabilities recognised or at fair value.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity

When a transaction or other event does not meet the definition of a business combination due to the asset or group of assets not meeting the definition of a business, it is termed an 'asset acquisition'. In such circumstances, the acquirer:

- (i) identifies and recognises the individual identifiable assets acquired
- (ii) allocates the cost of the group of assets and liabilities to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

Such a transaction or event does not give rise to goodwill or a gain on a bargain purchase.

2.4 Goodwill

Goodwill arising on the acquisition of a subsidiary represents the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal

2.5 Functional and presentation currency

The consolidated financial statements of the Group are presented in Indian rupees (INR), which is the functional currency of the Group and the presentation currency for the consolidated financial statements.

2.6 Use of Estimates

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

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

2.7 Key Accounting Estimates and Judgement used in application of Accounting Policies

a. Income Taxes

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

b. Property, Plant and Equipment

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

c. Impairment of Financial Assets

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

d. Fair Value Measurement of Financial Instruments

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

2.8 Property, Plant and Equipment & Depreciation

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

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

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

Capital Work-in-Progress

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

Depreciation methods, estimated useful life and residual value:

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

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

A-1 ACID LIMITED

The Estimated Useful Lives are mentioned below:

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

2.9 Intangible Assets and Amortisation :

Goodwill was recognised on succession of promoter's proprietary business by A-1 Acid Private Limited in 2004. It is tested for impairment at end of each reporting period and not amortised.

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

2.10 Impairment of non - financial assets

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

Recoverable Amount is determined:

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

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

2.11 Financial Instruments

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

A Financial Assets

i. Initial recognition and measurement:

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

ii. Subsequent Measurement:

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

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

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

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

i) Financial assets measured at amortised cost

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

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

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

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

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

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

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

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

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

iii. Derecognition:

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

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

iv. Impairment of financial assets:

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

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

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

B Financial Liabilities

i. Initial recognition and measurement:

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

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

ii. Subsequent measurement:

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

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

i) Financial liabilities measured at amortised cost

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

ii) Financial liabilities at fair value through profit or loss

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

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

iii. Derecognition

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

2.12 Off-setting of financial instruments:

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

2.13 Fair value measurement

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

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

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

2.14 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.

2.15 Borrowing Cost

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

2.16 Cash and Cash Equivalents

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

2.17 Statement of Cashflows

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

2.18 Revenue Recognition

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

2.19 Dividend

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

2.20 Employee Benefit

Defined Contribution Plan

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

Defined Benefit Plan

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

2.21 Earnings per Share

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

2.22 Provisions, Contingent Liabilities and Contingent Assets

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

2.23 Taxes on Income

a) Current Tax

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

a) **Deferred Tax**

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

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

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

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

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

2.24 Segment Reporting

Operating Segments are reported in a manner consistent with the Internal Reporting provided to the Chief Operating Decision Maker (CODM), Harshadkumar Patel (CMD), of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

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

2.25 Lease

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

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

13 Equity Share Capital	(INR in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Authorised Capital 20000000 (previous year 12000000) Equity Shares of Rs. 10 Each	2,000.00	1,200.00
Issued, Subscribed and Paid-up 11500000 (Previous year 10000000) Equity Shares of Rs. 10 Each fully Paid-up	1,150.00	1,000.00
Total	1,150.00	1,000.00

- a(i) The company has only one class of shares referred to as Equity shares having face value of Rs. 10/-. Each Holder of equity share is entitled to one vote per share and rank equally with regard to dividends .
- (ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all referential amounts. However, no such preferential amounts exist currently.
- (iii) The distribution will be in proportion to the number of equity shares held by the shareholders
- (iv) No Shares has been reserved for issue under options or contracts/commitments for the shares/disinvestment
- (v) The company has issued 3 equity bonus shares for every 20 equity shares during the year ended on March 31,2022.
- (vi) **In the five years immediately preceeding March 31, 2022**
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.
- The bonus shares once allotted shall rank pari passu in all respects and carry the same rights as the existing equity shareholders and shall be entitled to participate in full, in any dividend and any other corporate action, after allotment.

b. Reconciliation of the number of shares outstanding and the amount of share capital is set out below:	(INR in Lacs)	
	No of Shares	Amount
Particulars		
Share Capital as at April 01,2020	10,000,000	1,000.00
Addition in Share Capital	-	-
Share Capital as at March 31,2021	10,000,000	1,000.00
Addition in Share Capital on issue of Bonus	1,500,000	150.00
Share Capital as at March 31,2022	11,500,000	1,150.00

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

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Harshadbhai N Patel- %	27.30%	27.30%
No of Shares	3,139,501	2,730,000
Jitendrabhai N Patel-%	27.30%	27.30%
No of Shares	3,139,500	2,730,000
Krishnaben Naranbhai Patel-%	7.70%	7.70%
No of Shares	885,040	769,600.0
Utkarsh H Patel	7.70%	7.70%
No of Shares	885,500	770,000.0

d. Shared held by the Promoters at the end of the year

Name of the Promoter	As at March 31,2022		As at March 31,2021		% change
	No of Shares	% of Total Shares	No of Shares	% of Total Shares	
Harshadbhai N Patel	3,139,501	27.30%	2,730,000	27.30%	-

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Jitendrabhai N Patel	3,139,500	27.30%	2,730,000	27.30%	-
Krishnaben Naranbhai Patel	885,040	7.70%	769,600	7.70%	-
Utkarsh H Patel	885,500	7.70%	770,000	7.70%	-

No of shares held by Promoters as on March 31,22 has increased due to issue of Bonus shares. However the ratio of holding has not changed due to issue of pro-rata shares.

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.

14 Other Equity	(INR in Lacs)			
	General Reserve	Securities Premium	Retained Earnings	Total
Balance as at April 01,2020	32.61	1,370.78	1,344.47	2,748.44
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance as at April 01, 2020				
Total Comprehensive Income for the year	-	-	273.02	273.02
Balance as at March 31,2021	32.61	1,370.78	1,617.49	3,020.87
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance as at April 01, 2021	32.61	1,370.78	1,617.49	3,020.87
Issue of Bonus Shares	-	-	(150.00)	(150.00)
Total Comprehensive Income for the year	-	-	630.52	630.52
Balance as at March 31,2022	32.61	1,370.78	2,098.01	3,501.40

- On 5th October 2018, the Company has allotted 30,00,000 Equity Shares of face value Rs. 10/- each fully paid -up at issue price of Rs.60/- per share including a premium of Rs.50/- per share aggregating to Rs.1,500 lacs of Securities Premium balance, through the initial public offer. Against this balance of Premium amount Rs. 129.22 lacs was adjusted as IPO expense leaving balance of Rs. 1370.78 lacs
- General Reserve is created by transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
- The company has issued 3 equity bonus shares for every 20 equity shares during the year ended on March 31,2022.

15 Borrowings (Non-Current)	(INR in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Secured (At amortised cost)		
Term Loans from Banks	921.05	609.08
Sub Total	921.05	609.08
Less: Current Maturities of long term Debt (Refer Note-17)	375.72	244.33
Total	545.33	364.75

Security

Term Loans are secured against hypothecation of vehicles

Interest

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

Repayment

Term loans are repayable in monthly installments. The installments payable within 12 months are reported as current maturity of long term debts in Note 17

16 Deferred Tax Liabilities (Net)	(INR in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities		
Property, Plant and Equipment	84.01	87.10
Deferred Tax Assets		

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Non deductible expenses for tax purpose	38.85	30.98
Net Deferred Tax Liabilities	45.16	56.12

Movements in Deferred Tax Liabilities	Difference of Depreciation as per Income Tax and Company Law
As at March 31,2020	15.86
Charge/(credit) to Profit & Loss	40.26
Charge/(credit) to Other Comprehensive Income	
As at March 31,2021	56.12
Charge/(credit) to Profit & Loss Account	(10.96)
Charge/(credit) to Other Comprehensive Income	
As at March 31,2022	45.16

(INR in Lacs)

17 Borrowings (Current)	As at March 31, 2022	As at March 31, 2021
Secured (At amortised cost)		
Working Capital Loans		
From Banks*	1,676.80	944.04
Loans from Financial Institutions (Secured)	-	108.25
Current Maturities of Long Term Debt	375.72	244.33
Total	2,052.52	1,296.62

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

For the channel financing facility sanctioned to the tune of INR 500 lacs, by IndusInd Bank, Irrevocable personal guarantees has been given by Promoters Harshad Patel, Jitendra Patel and Utkarsh Patel.

Details of current Asset statements filed with Banks/FI for FY 2021-22

Particulars of Security	Name of bank	Quarter	Amount as per books	Amounts reported to Bank	Difference
Finished Goods		Q1	96.02	95.46	0.56
Debtors	Deutsche/		3,867.99	3,868.02	(0.03)
Creditors	IndusInd Bank		122.18	108.38	13.80
Finished Goods		Q2	111.74	111.74	-
Debtors	Deutsche/		4,215.82	4,219.83	(4.01)
Creditors	IndusInd Bank		170.93	179.40	(8.47)
Finished Goods		Q3	201.62	201.62	-
Debtors	Deutsche/		4,539.57	4,551.78	(12.21)
Creditors	IndusInd Bank		237.23	280.31	(43.08)
Finished Goods		Q4	233.69	233.69	-
Debtors	Deutsche/		4,463.62	4,463.62	-
Creditors	IndusInd Bank		303.89	303.89	-

Reason For Difference: The amounts provided to the bank are based on unaudited books of accounts, where as amounts reported above as per books are on the basis of audited books of accounts after providing provisions, debit and credit notes.

Details of current Asset statements filed with Banks/FI for FY 2020-21

Particulars of Security	Name of bank	Quarter	Amount as per books	Amounts reported to Bank	Difference
Finished Goods		Q1	73.45	66.52	6.93
Debtors	Deutsche		2,663.41	2,675.65	(12.23)
Creditors	Bank		47.52	47.52	-
Finished Goods		Q2	101.04	96.21	4.83
Debtors	Deutsche		2,849.75	2,849.80	(0.05)
Creditors	Bank		92.28	92.28	-
Finished Goods		Q3	170.23	159.89	10.34
Debtors	Deutsche		3,383.20	3,383.22	(0.02)
Creditors	Bank		175.71	175.71	-
Finished Goods		Q4	189.88	189.88	-
Debtors	Deutsche		3,750.44	3,753.78	(3.34)
Creditors	Bank		70.28	70.28	-

Reason For Difference: The amounts provided to the bank are based on unaudited books of accounts, where as amounts reported above as per books are on the basis of audited books of accounts after providing provisions, debit and credit notes.

		(INR in Lacs)	
18 Trade Payables		As at March 31, 2022	As at March 31, 2021
Total outstanding dues of			
-Micro, Small and Medium Enterprise		-	-
-Other than Micro, Small and Medium Enterprise		303.89	138.52
-Related Parties		-	-
Total		303.89	138.52

Trade Payable Ageing as at March 31, 2022							(INR in Lacs)
Particulars	Not Due for payment	Outstanding for following periods from due date of payment				Total	
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
MSME	-	-	-	-	-	-	-
Others	281.50	12.51	-	-	9.88	303.89	
Disputed Dues- MSME	-	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-	-

Trade Payable Ageing as at March 31, 2021							(INR in Lacs)
Particulars	Not Due for payment	Outstanding for following periods from due date of payment				Total	
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
MSME	-	-	-	-	-	-	-
Others	124.68	0.78	3.18	-	9.88	138.52	
Disputed Dues- MSME	-	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-	-

19 Other Current Liabilities		(INR in Lacs)	
		As at March 31, 2022	As at March 31, 2021
Statutory Dues		15.66	9.96
Advance from Customers		321.82	60.04
Provision for expenses & Discount obligations		19.53	139.04
Total		357.01	209.04

20 Current Tax Liabilities		(INR in Lacs)	
		As at March 31, 2022	As at March 31, 2021
Provision for Income Tax		228.81	97.42
Less: Advance Income Tax		214.50	81.84
Total		14.31	15.58

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Note: 3A Property, Plant and Equipment							(INR in Lacs)
Particulars	Furniture & Fixtures	Plant & Machinery	Tankers	Storage Tanks	Computers	Vehicles	Total
Gross Carrying Value as on 01-04-2020	11.93	130.13	841.37	66.66	3.36	171.24	1,224.69
Addition during the period	0.39	2.12	592.31	51.42	1.82	23.18	671.24
Acquisitions through Business Combinations	-	-	-	-	-	-	-
Changes due to Revaluation	-	-	-	-	-	-	-
Deduction during the period*	-	1.55	53.78	0.62	-	7.79	63.74
Gross Carrying Value as on 31-03-2021	12.32	130.70	1,379.90	117.46	5.18	186.63	1,832.19
Addition during the period	-	33.03	557.86	9.19	1.90	104.87	706.85
Acquisitions through Business Combinations	-	-	-	-	-	-	-
Changes due to Revaluation	-	-	-	-	-	-	-
Deduction during the period**	-	1.70	92.46	-	-	-	94.16
Gross Carrying Value as on 31-03-2022	12.32	162.03	1,845.30	126.65	7.08	291.50	2,444.88
Accumulated Depreciation as on 01-04-2020	1.38	10.98	174.37	-	1.02	28.71	216.46
Addition during the period	1.11	12.98	163.53	25.98	1.33	29.26	234.19
Deduction during the period	-	0.48	0.37	-	-	3.70	4.55
Accumulated Depreciation as on 31-03-2021	2.49	23.48	337.53	25.98	2.35	54.27	446.10
Addition during the period	1.11	14.41	263.47	26.58	1.79	30.21	337.57
Deduction during the period	-	1.04	10.18	-	-	-	11.22
Accumulated Depreciation as on 31-03-2022	3.60	36.85	590.82	52.56	4.14	84.48	772.45
Net Carrying Value as at 31-03-2021	9.83	107.22	1,042.37	91.48	2.83	132.36	1,386.09
Net Carrying Value as at 31-03-2022	8.72	125.18	1,254.48	74.09	2.94	207.02	1,672.43

* Retirement in tankers of Rs. 9.18 lacs includes transfer of storage tanks at WDV of Rs. 6.28 lacs. The same is disclosed as addition to Storage tanks.

** Retirement in tankers of Rs. 53.78 lacs includes transfer of storage tanks at WDV of Rs. 51.42 lacs. The same is disclosed as addition to Storage tanks.

Out of total nineteen vehicles, three two- wheelers and six cars are registered in the name of the Directors

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Note: 3B Capital Work in Progress	INR in lacs
Balance as at 01-04-2020	30.53
Addition during the period	59.63
Capitalisation during the period	80.95
Balance as at 31-03-2021	9.20
Addition during the period	-
Capitalisation during the period	-
Balance as at 31-03-2022	9.20

Balance of Capital Work in Progress represents heavy vehicles under fabrication.

CWIP Ageing Schedule

Particulars	Amount in CWIP for Period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Vehicles Under Fabrication ason 31 March, 2022	-	9.20	-	-	9.20
Vehicles Under Fabrication ason 31 March, 2021	9.20				9.20

There is no capital-work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan.

Note: 3C Intangibles (Goodwill)

Goodwill was recognised on succession of promoter's proprietary business by A-1 Acid Private Limited in 2004. It is tested for impairment at end of each reporting period and not amortised.

Goodwill	INR in lacs
Balance as at 01-04-2020	31.00
Impairment during the year	-
Balance as at 31-03-2021	31.00
Impairment during the year	-
Balance as at 31-03-2022	31.00

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		(INR in Lacs)	
4	Investments	As at March 31, 2022	As at March 31, 2021
	Investment in partnership Firm		
	A-1 Sureja Industries	247.04	-
	For share of profit of A-1 Acid Limited and other partners (Refer note 4.c)		
	Total	247.04	-

- a With effect from August 21, 2021, the group has entered as 45% partner in A1 Sureja Industries (partnership firm). The firm is mainly engaged in manufacturing of electric two wheelers and agricultural pumps.
- b The amount invested in the firm has been disclosed as non current investment after adjusting its share of profit/(loss) in the firm for post acquisition period, as per IND AS 28 Investments in Joint Ventures and Associates.

c Details of Profit and Loss sharing ratio of the Firm after stake acquisition is as disclosed below:

Name of the Partners	As at March 31, 2022		As at March 31, 2021	
	Capital in the firm	Share of partners	Capital in the firm	Share of partners
A-1 Acid Ltd	247.04	45%	-	-
Bharatbhai Patel	5.29	1%	-	-
Hansa Patel	21.21	4%	-	-
Harshad Patel	151.76	50%	182.39	50%
Divyesh Sureja	-	-	(20.30)	10.00%
Gopal Sureja	-	-	11.62	7.50%
Jayshree Sureja	-	-	(1.31)	7.50%
Nirmala Sureja	-	-	(17.15)	7.50%
Ramnik Sureja	-	-	(1.45)	7.50%
Tushar Sureja	-	-	(22.14)	10.00%
Total	425.30	100%	131.66	100%

		(INR in Lacs)	
5	Other Financial Assets (Non-Current)	As at March 31, 2022	As at March 31, 2021
	Unsecured, Considered Good		
	Security Deposits	244.26	238.80
	Bank Deposits having maturity of more than 12 months*	202.00	1.00
	Total	446.26	239.80

*Fixed Deposit of Rs. 1 lac pledged as security deposit with Supritendent of Prohibition Department

		(INR in Lacs)	
6	Other Non-Current Assets	As at March 31, 2022	As at March 31, 2021
	Capital Advance for Vehicles	21.51	-
	Advance Payment of Income Tax	98.55	107.04
	Less: Provision for Income Tax	94.08	103.24
	Advance Tax (Net of Provision)	4.47	3.80
	Total	25.98	3.80

		(INR in Lacs)	
7	Inventories	As at March 31, 2022	As at March 31, 2021

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Finished Goods	233.69	189.88
Total	233.69	189.88

(INR in Lacs)		
8 Trade Receivables (Unsecured)	As at March 31, 2022	As at March 31, 2021
Considered Good (Others)	4,630.95	3,627.48
Which have significant increase in Credit Risk	154.48	122.96
Sub Total	4,785.43	3,750.44
Less: Allowance for Expected Credit Loss	(154.48)	(122.96)
Total	4,630.95	3,627.48

(INR in Lacs)						
Trade Receivable Ageing as at March 31, 2022						
Particulars	Less than 6 months	Outstanding for following periods from the date of transaction				Total
		6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Trade Receivables Considered Good						
-Undisputed Dues	4,147.93	143.90	130.27	80.96	127.89	4,630.95
-Disputed Dues	-	-	-	-	-	-
Trade Receivables Considered Doubtful						
-Undisputed Dues	-	-	-	-	154.48	154.48
-Disputed Dues	-	-	-	-	-	-
Total	4,147.93	143.90	130.27	80.96	282.37	4,785.43

(INR in Lacs)						
Trade Receivable Ageing as at March 31, 2021						
Particulars	Less than 6 months	Outstanding for following periods from the date of transaction				Total
		6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Trade Receivables Considered Good						
-Undisputed Dues	3,158.35	131.78	129.92	19.99	187.44	3,627.48
-Disputed Dues	-	-	-	-	-	-
Trade Receivables Considered Doubtful						
-Undisputed Dues	-	-	-	-	122.96	122.96
-Disputed Dues	-	-	-	-	-	-
Total	3,158.35	131.78	129.92	19.99	310.40	3,750.44

(INR in Lacs)		
9 Cash and Cash Equivalents	As at March 31, 2022	As at March 31, 2021
Balances with Banks-In Current Account	4.38	13.29
-In Deposit Accounts with maturity of more than 12 months	202.00	1.00
Cash On Hand	5.26	33.70
Sub Total	211.64	47.99
Less: Bank Deposits having maturity of more than 12 months (Refer Note-4)	202.00	1.00
Total	9.64	46.99

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		(INR in Lacs)	
10 Loans (Current)		As at	As at
		March 31, 2022	March 31, 2021
Loans Considered Good- unsecured			
-Loan to Body Corporate		0.92	71.64
Total		0.92	71.64

		(INR in Lacs)	
11 Other Financial Assets (Current)		As at	As at
		March 31, 2022	March 31, 2021
Advance to Contracted Labour		0.61	0.36
Interest Receivable on Deposits		0.09	1.59
Total		0.70	1.95

No loans and advances are granted to promoters, directors, KMPs and the related parties (as defined under the Act), either severally or jointly with any other person.

		(INR in Lacs)	
12 Other Current Assets		As at	As at
		March 31, 2022	March 31, 2021
Prepaid Expenses		26.86	23.44
Balance with Statutory Authorities		104.07	60.40
Contractual Discount receivable		286.37	267.32
Advance to Suppliers		236.01	142.51
Insurance Claim Receivable		8.50	-
Total		661.81	493.67

		(INR in Lacs)	
21	Revenue From Operations	Year ended on March 31, 2022	Year ended on March 31, 2021
	Sale of Goods*	29,911.64	13,982.92
	Sale of Service	1,124.40	535.43
	Total	31,036.04	14,518.35
* Sale of Goods is net of Discounts given and Rates difference (Rs. 716.88 lacs and Rs. 3.38 lacs respectively for year ended on 31.3.2022 & Rs. 529.04 lacs and Rs 3.94 lacs respectively for year ended on 31.3.2021)			
		(INR in Lacs)	
21	Sale of Goods (exclusive of Discount and Rate Difference) Comprise of	Year ended on March 31, 2022	Year ended on March 31, 2021
	Acetic Acid	2,145.84	309.70
	Hydrochloric Acid	147.64	480.06
	T.G.Urea	6,632.11	2,465.59
	Concentrated Nitric Acid	5,149.86	2,134.19
	Nitric Acid	1,040.99	1,185.26
	Ethly Acetate	2,103.65	820.63
	Sulphuric Acid	798.59	1,354.25
	WNA 61% & 61.5%	8,629.43	3,811.20
	WNA 68%	321.51	234.61
	WNA 72%	833.71	510.68
	WNA 18% to 40%	1,404.84	122.26
	Nitro Benzene	11.86	42.49
	Methanol	624.84	618.95
	Others	820.37	457.58
	Less: Sales Returns	(33.34)	(31.55)
	Less: Discounts and Rate difference	(720.26)	(532.98)
	Total	29,911.64	13,982.92
		(INR in Lacs)	
21	Sale of Service Comprise of	Year ended on March 31, 2022	Year ended on March 31, 2021
	Transport Receipts	1,124.40	535.43
		(INR in Lacs)	
22	Other Income	Year ended on March 31, 2022	Year ended on March 31, 2021
	Interest Income		
	-From Bank	2.23	0.06
	-From Others	10.26	19.43
	Lifting Income*	386.43	335.25
	Commission	-	15.45
	Gain on Sale of Property, Plant and Equipment	-	11.19
	Miscellaneous Income	1.89	3.68
	Total	400.81	385.06

* Lifting income is incentive or income earned by the company for taking/lifting excess HCL stock/production from manufacturing units. Such income is booked net of incentive passed on to vendors.

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			(INR in Lacs)		
23	Changes in Inventory of Finished Goods	Year ended on March 31, 2022	Year ended on March 31, 2021		
Inventories at the end of the year					
	Finished Goods	233.69	189.88		
Inventories at the beginning of the year					
	Finished Goods	189.88	109.79		
	Net (Increase)/Decrease	(43.81)	(80.09)		
			(INR in Lacs)		
24	Employee Benefit Expenses	Year ended on March 31, 2022	Year ended on March 31, 2021		
	Salary, wages and Bonus	86.75	69.18		
	Managerial Remuneration	156.36	156.36		
	Staff Welfare	3.16	4.64		
	Director's Insurance Premium	9.76	7.18		
	Total	256.03	237.36		
			(INR in Lacs)		
25	Finance Cost	Year ended on March 31, 2022	Year ended on March 31, 2021		
	Interest Cost				
	-On Vehicle Loans	45.37	43.29		
	-On Working Capital Loan	69.83	17.36		
	-On Statutory Dues	0.96	7.21		
	Other Borrowing Cost	4.50	4.21		
	Total	120.66	72.07		
			(INR in Lacs)		
26	Other Expenses	Year ended on March 31, 2022	Year ended on March 31, 2021		
Administration Expense					
	Duties & Taxes	1.81	14.14		
	Insurance Expense	23.19	25.58		
	Water, Fuel & Electricity Expense	21.92	14.17		
	Stationery & communication expenses	2.26	4.85		
Repairs and Maintenance					
	Office	5.47	7.64		
	Office Equipments	7.01	1.38		
	Computer	0.65	0.88		
	Vehicles	10.10	13.75		
		23.23	23.65		
	Auditor's Remuneration	2.53	1.00		
	Bad debts written off	24.47	20.99		
	Provision for Bad Debts written back	(24.47)	(20.99)		
	Provision for Bad Debts	56.00	11.32		
	Director Sitting Fees	0.99	0.75		
	Legal & Professional Expense	43.27	17.37		
	Rent Expense	98.80	96.21		
	Travelling Expense	1.75	1.47		
	Donation	0.12	0.13		
	Corporate Social Responsibility Expenses	-	2.50		
	Penalty	2.38	2.23		
	Loss on Sale of Property, Plant and Equipment	5.15	-		

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Miscellaneous Expenses	14.04	15.55
Selling & Distribution Expense		
Sales Promotion Expenses	14.45	12.79
Distribution expense	3.31	4.07
Sales Commission	117.68	64.53
Advertisement Expenses	0.90	0.67
Total	433.78	312.98

26.1 Particulars	Year ended on March 31, 2022	Year ended on March 31, 2021
Payment to Statutory Auditors		
For Audit Fees	2.50	1.00
For Certification	0.03	
Total	2.53	1.00

		(INR in Lacs)
27 Tax Expense	Year ended on March 31, 2022	Year ended on March 31, 2021
Current Tax Provision	228.81	97.42
Tax for earlier years	-	4.77
Deffered Tax (Also Refer Note 16)	(10.96)	40.26
Total	217.85	142.44

Income Tax Expense Reconciliation

Particulars	Year ended on March 31, 2022	Year ended on March 31, 2021
Profit Before Tax	862.98	415.47
Tax Expense at applicable Tax rate (25.17%)	217.21	104.57
Permanent Differences	4.32	33.10
Adjustment recognised in the current year in relation to prior years expense	-	4.77
Total	221.53	142.44
Effective Tax Rate	26%	34%

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Earning Per Share (EPS)			
28	Particulars	Year ended on March 31, 2022	Year ended on March 31, 2021
	Profit Attributable to Equity Shareholders from Continuing Operations (Profit After Tax)	630.52	273.02
	Weighted Average shares used for calculating for EPS	115.00	115.00
	Face Value of each Share	10.00	10.00
	Basic & Diluted Earnings per share	5.48	2.37

As per INDAS-33, the EPS has been restated for previous year due to take impact of issue of bonus shares during the year.

Contingent Liabilities		(INR in Lacs)	
29	Particulars	As at March 31, 2022	As at March 31, 2021
	Contingent Liability not provided for claims against the Company not acknowledged as debt		
	Bank Guarantee for Performance and Earnest money	4.28	-
	Estimated amount of contracts remaining to be executed on Capital Account.	-	-

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30 Related Party Disclosures

a Subsidiary/ Joint Venture/ Associate

Name of the Entity	Type
A-1 Sureja Industries	Associate

b Key Management Personnel and relatives

Name of Key Managerial	Designation
Harshad N. Patel	Chairman & Managing Director
Jitendra N. Patel	Whole Time Director
Helly H. Patel (Resigned w.e.f July 09, 2021)	Director
Krishna U. Patel	Director
Utkarsh H. Patel (Reappointed w.e.f August 06, 2021)	Whole Time Director
Himanshu Thakkar	CFO
Aanal Patel	Company Secretary
Chirag Rajnikant Shah	Independent Director
Lajju Hemang Shah	Independent Director
Nitinbhai Rikhavbhai Shah	Independent Director
Hansaben Patel (Resigned w.e.f. July 09, 2021)	Independent Director
Suresh Somnath Dave (Appointed w.e.f January 27,2022)	Independent Director
Name of Relatives	Relation
Ritaben H Patel	Wife of Chairman
Binduben J Patel	Wife of Whole Time Director
Jitendra N Patel	Whole time Director
Krishnaben N Patel	Mother of Whole Time Director and Chairman

c Entities controlled by Directors/ Relative of Directors

Express Chemical Corporation
Avkar Chemical Industries
Numeron Multicuisine Restaurant

Material Transactions with Related Parties

Name of Related Party	Remuneration	Director Sitting Fees	Sales Promotion	Rent Paid	Investment	Share of Profit/(Loss) from an Associate	(INR in Lacs)	
							Outstanding Balance March 31,2022	March 31,2021
Harshadkumar N Patel	66.12 (66.00)	-	-	29.57 (30.00)	-	-	-	-
Jitendra N.Patel	48.12 (48.12)	-	-	31.16 (32.09)	-	-	-	-
Utkarsh H.Patel	42.12 (42.12)	-	-	-	-	-	-	-
Krishnaben N.Patel	-	-	-	16.91 (16.91)	-	-	-	-
Binduben J.Patel	-	-	-	8.45 (8.45)	-	-	-	-
Ritaben H.Patel	-	-	-	8.45 (8.45)	-	-	-	-
Himanshu Thakkar	10.40 (7.20)	-	-	-	-	-	-	-
Aanal Patel	1.80 (1.80)	-	-	-	-	-	-	-
Chirag Rajnikant Shah	-	0.33 (0.15)	-	-	-	-	-	-
Lajju Hemang Shah	-	0.33 (0.18)	-	-	-	-	-	-
Urvish Ratilal Patel	-	- (0.09)	-	-	-	-	-	-

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Nitinbhai Rikhabhai Shah	-	0.33 (0.09)	-	-	-	-	-	-
Hansaben Patel	-	(0.24)	-	-	-	-	-	-
Numeron Multicuisine Restaurant	-	-	0.22 (1.14)	-	-	-	0.14	-
A-1 Sureja Industries					261.65	(14.61)	247.04	
Total	168.56 (165.24)	0.99 (0.75)	0.22 (1.14)	94.54 (95.90)	261.65	(14.61)	247.04	0.14

Previous Years figures for transactions are mentioned in brackets

31 Fair Value Measurements

Financial Instrument by their category and their fairvalue

(INR in Lacs)

As at March 31, 2022	Carrying Value				Fair Value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Trade Receivables	-	-	4,630.95	4,630.95	-	-	4,630.95	4,630.95
Cash & Cash Equivalents	-	-	9.64	9.64	-	-	9.64	9.64
Loans	-	-	0.92	0.92	-	-	0.92	0.92
Other Financial Assets								
Non Current			446.26	446.26	-	-	446.26	446.26
Current	-	-	0.70	0.70	-	-	0.70	0.70
Total Financial Assets	-	-	5,088.47	5,088.47	-	-	5,088.47	5,088.47
Financial Liabilities								
Borrowings								
Non Current	-	-	545.33	545.33	-	-	545.33	545.33
Current	-	-	2,052.52	2,052.52	-	-	2,052.52	2,052.52
Trade Payables	-	-	303.89	303.89	-	-	303.89	303.89
Total Financial Liabilities	-	-	2,901.74	2,901.74	-	-	2,901.74	2,901.74

As at March 31, 2021	Carrying Value				Fair Value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Trade Receivables	-	-	3,627.48	3,627.48	-	-	3,627.48	3,627.48
Cash & Cash Equivalents	-	-	46.99	46.99	-	-	46.99	46.99
Loans	-	-	71.64	71.64	-	-	71.64	71.64
Other Financial Assets	-	-	-	-	-	-	-	-
Non-Current	-	-	239.80	239.80	-	-	239.80	239.80
Current	-	-	1.95	1.95	-	-	1.95	1.95
Total Financial Assets	-	-	3,987.86	3,987.86	-	-	3,987.86	3,987.86
Financial Liabilities								
Borrowings								
Non Current	-	-	364.75	364.75	-	-	364.75	364.75
Current	-	-	1,296.62	1,296.62	-	-	1,296.62	1,296.62
Other Financial Liabilities								
Trade Payables	-	-	138.52	138.52	-	-	138.52	138.52
Total Financial Liabilities	-	-	1,799.89	1,799.89	-	-	1,799.89	1,799.89

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

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

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

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

There were no transfers between the levels during the year

Valuation Process

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

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

32 Financial Risk Management

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

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

Risk Management Framework

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

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

I Credit Risk

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

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

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

	(INR in Lacs)	
Movement in allowance for bad and doubtful debts	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	122.96	132.63
Add: Allowance made during the year	56.00	11.32
Less: Reversal of allowance made during the year	24.47	20.99
Balance at end of the year	154.49	122.96

II Liquid Risk

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

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

i) Exposure to Liquid Risk

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

As at March 31, 2022	Carrying Amount	Contractual Cashflows				Total
		<1 year	1-2 Years	3-5 years	>5 years	
Financial Liabilities						
Borrowings						
Non Current	545.33	244.06	285.11	16.16	-	545.33
Current	2,052.52	2,052.52	-	-	-	2,052.52
Other Financial Liabilities						
Trade Payables	303.89	303.89	-	-	-	303.89
Total Financial Liabilities	2,901.74	2,600.47	285.11	16.16	-	2,901.74

(INR in Lacs)

As at March 31, 2021	Carrying Amount	Contractual Cashflows				Total
		<1 year	1-2 Years	3-5 years	>5 years	
Financial Liabilities						
Borrowings						
Non Current	364.75	-	252.70	112.35	-	365.05
Current	1,296.62	1,296.62	-	-	-	1,296.62
Other Financial Liabilities						-
Trade Payables	138.52	138.52	-	-	-	138.52
Total Financial Liabilities	1,799.89	1,435.14	252.70	112.35	-	1,800.19

III Market Risk

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

a) Currency Risk

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

b) Interest Risk

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

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

i) Exposure to interest rate risk (INR in Lacs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Fixed Rate Instruments		
Financial Liabilities		
Non Current	545	183
Current	376	272
Total (A)	921	455
Variable Rate Instruments		
Financial Liabilities		
Non Current	-	182
Current	1,677	1,024
Total (B)	1,677	1,206
Total Borrowings (A+B)	2,598	1,661
% of Borrowings bearing Variable inter	65%	73%

ii) Interest Rate Sensitivity

Particulars	2021-22	2020-2021
50bp increase would decrease the Profit Before Tax b	8	6
50bp decrease would increase the Profit Before Tax b	8	6

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iii) Price Risk

As on March 31, 2022, the group has no exposure on security price Risks.

33 Capital management

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

The gearing ratio at the end of the reporting period is as follows:

Particulars	(INR in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Debt	2,598	1,661
Cash & Bank Balances	(212)	(48)
Net Debt	2,386	1,613
Equity	4,651	4,021
Net Debt to Equity Ratio	51%	40%

34 Expenditure on Corporate Social Responsibility activities

- a) Gross amount required to be spent by the Group during the year FY 21-22 was NIL (P.Y. NIL) under section 135 of the Companies Act, 2013. Unspent amount Of Rs. 3 lacs to be utilised in FY 19-20 has been utilised in FY 20-21
- b) Details of Expenditure on CSR is as below:

Particulars	For the year ended March 31,2022			For the year ended March 31,2021		
	Paid in cash	Yet to be Paid in cash	Total	Paid in cash	Yet to be Paid in cash	Total
(i) Construction/Acquisition of Asset	-	-	-	-	-	-
(ii) purpose other than (i) above	-	-	-	3	-	3

35 Segment Information

There are no separate reportable segments as per IND AS 108 as the entire operations of the Company relate to single segment viz. Trading of Acids and Chemicals.

36 Ministry of Corporate Affairs notifies new standard or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23,2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st 2022, as below:

IND AS 103- Reference to Conceptual Framework

IND AS 16- Proceeds from Intended Use

IND AS 37- Costs of fulfilling a Contract

IND AS 109- Annual Improvements to IND AS (2021

IND AS 106- Annual Improvements to IND AS (2021

The Group has evaluated the amendments and there is no material impact of these amendments on Consolidated financial Statements.

37 Additional Regulatory Information

a	Ratios			31.3.22	31.3.21	Variance
		Numerator	Denominator	Ratio	Ratio	

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(i) Current Ratio	Current Assets	Current Liabilities	2.03	2.67	-24%
(ii) Debt-Equity Ratio (1)	Total Debt	Shareholder's Equity	0.56	0.52	8%
(iii) Debt Service Coverage Ratio (2)	Earnings available for Debt Servicing	Total Debt service	2.69	1.65	63%
(iv) Return on Equity Ratio (%)	Profit After Taxes	Average Shareholder's Equity	13.87%	6.79%	104%
(v) Inventory turnover ratio (in days)	Cost of Goods Sold	Average Inventory	2.77	3.77	-26%
(vi) Trade Receivables turnover ratio (In days)	Revenue from Operations	Average Trade Receivables	50.19	76.69	-35%
(vii) Trade payables turnover ratio (In days)	Purchase of Goods & services and Other expense	Average Trade Payables	2.70	2.15	25%
(viii) Net Capital turnover	Revenue from Operations	Working Capital	11.04	5.24	111%
(vii) Net Profit Ratio	Net Profit After Taxes	Revenue from Operations	2%	2%	-
(viii) Return on Capital Employed (3)	Earning Before Interest and Tax	Capital Employed	0.13	0.08	62%
(ix) Return on Investment	Income from Investments	Cost of Investment	-	NA	

- 1 Total Debt = Current Borrowings + Non Current Borrowings
- 2 Earnings available for Debt Servicing= Net profit before taxes+ Interest+ Depreciation+ adjustment for non operational income/expenses
- 3 Capital Employed= Tangible Networth + Total Debt+ Deferred Tax Liability
- 4 Working Capital= Current Assets- current liabilities

Reason For Variance above 25% in ratios

- 1 Return on Equity, Debt Service Coverage Ratio & Return on Capital Employed Ratio: The Return ratios have improved on account of increased profitability vis a vis last year
 - 2 Net Capital Turnover: The ratio has improved on account of increased profitability and revenue from operations vis a vis last year
 - 3 Inventory Turnover, Trade Payable & Receivable Turnover Ratio: The ratios have improved on account of efficient working capital cycle management
- b** The group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- c** Group has no balance outstanding for transactions done with the Companies Struck Off either under section 248 of the Act or under Section 560 of Companies act 1956.
- d** No undisclosed Income is voluntarily disclosed under any scheme identified by Income tax authorities under any tax assessments under the Income Tax Act.
- e** The Group has neither traded nor invested in crypto currency during the financial year.
- f** No Proceedings have been initiated or pending against the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- g** The Group donot have charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- h** The Group is not declared as willful defaulter by any bank or Financial Institution or other lender.
- i** **Utilisation of Borrowed funds and Share Premium**
- a) During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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b) During the year, no funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

38 Approval of Consolidated Financial Statements

The Consolidated financial statements are approved for issue by Audit Committee and Board of Directors at their meetings held on May 10, 2022

39

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

The notes on account form integral part of the financial Statement 1 to 39

As per our Report of even date attached

For, Riddhi P. Sheth & Co.

Chartered Accountants

Firm egistration No. : 140190W

Sd/-

Riddhi P.Sheth

Proprietor

Membershi .No.159123

Place : Ahmedabad

Date: May 10, 2022

For and on Behalf of Board

Sd/-

Harshadkumar Patel

Chairman & Managing

(DIN: 00302819)

Sd/-

Himanshu Thakkar

CFO

Place : Ahmedabad

Date: May 10, 2022

Sd/-

Jitendra Patel

Whole Time Director

(DIN: 00164229)

Sd/-

Aanal Patel

Company Secretary