

ALACRITY SECURITIES LIMITED

ANNUAL REPORT 2016 - 17

Registered Office:

101, B Wing -Haridarshan Building, Bhogilal Phadia Road

Near S V P Primary School, Kandivali (West)

Mumbai – 400067

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Hiten Mehta
Mr. Jai Prakash Jindal
Mr. Kishore Shah
Mrs Nipa Prashanth Sheth
Mr Ankur Mehta

Company Secretary & Compliance Officer

Ms. Leena Kumawat

REGISTERED OFFICE

101, B Wing -Haridarshan Building
Bhogilal Phadia Road
Near S V P Primary School
Kandivali (West)
Mumbai – 400067
Tel : 022-2807 3882
Fax :022-2807 3967
Email :alacritysec@gmail.com

AUDITORS

M/s. **Lalit Kumar Dangi & Co.**
Chartered Accountants
77,Mulji Jetha Bldg,3rd Floor
185/187,Princess Street
Marine Lines, Mumbai – 400002
Tel : 022-22066860
Fax : 022-22052224
Email : lkdangi_ca@mtnl.net.in

BANKERS

CANARA BANK
AXIS BANK
HDFC BANK

REGISTRAR & TRANSFER AGENT

Big Share Services Pvt. Ltd.
E-2, Ansa Industrial Estate,
Saki Vihar Road, Sakinaka,
Andheri (East), Mumbai 400 072.

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of Alacrity Securities Limited will be held on Thursday the **28th** day of **September, 2017** at 10a.m. at B-101 Haridarshan, Bhogila Phadia Road, Kandivali West Mumbai – 400067 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2017, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr Hiten R Mehta, (Din 01875252) who retires by rotation, and being eligible offers herself for reappointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby approves the appointment of M/s. ABN & Co. Chartered Accountants (Firm Registration No. 004447C), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Next Five Annual General Meeting to be held for the financial year 2017-18 to 2022-23 on such remuneration as may be determined by the Board of Directors.”

SPECIAL BUSINESS

4. **To Appoint Mrs Nipa Prashant Sheth (DIN: 07420589) as Executive Director**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, read with Schedule V of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, approval of

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the members be and is hereby accorded to the re-appointment of Mr. Nipa P Sheth (DIN07420589) as “Executive Director” of the Company liable to retire by rotation, with designation styled as Whole Time director and Key Managerial Personnel of the Company with effect from 12th November, 2016 on the terms and conditions including remuneration, as are set out in the draft of the Agreement to be entered into between the Company and Mrs. Nipa P Sheth, the draft Agreement is hereby approved (main terms of which are set out in the explanatory statement thereto), with liberty to the Board of Directors.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the Company shall pay Mrs. Nipa P Sheth remuneration as decided by the Board or any Committee thereof from time to time as minimum remuneration, with the approval of the Central Government, if necessary.\

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient or desirable to give effect to this resolution and also to revise the remuneration within the limit stipulated in the Companies Act, 2013

Registered Office :

B-101, Haridarshan Building,
Bhogilal phadia Road,
Kandivali West,
Mumbai-400067

PLACE : Mumbai

DATE : 14th August, 2017

By Order of the Board

Whole Time Director & CFO

Sd/-

Kishore V Shah

NOTES

1. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. The Register of members and Share Transfer Books of the Company will remain closed from **22nd September, 2017 to 28th September, 2017** (both Days inclusive).
3. A statement giving the relevant details of the Directors seeking re-appointment under Item No. 4 of the accompanying Notice,

4. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

5. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
9. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
10. No amount of dividend is remaining unpaid in the dividend account, for the transferred.
11. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.

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12. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the Registrar and Transfer Agent of the Company.
13. Pursuant to the requirement of Corporate Governance of the Listing Regulation 2015 entered into with the Stock Exchange, the brief resume of all the Directors proposed to be appointed, nature of expertise, names of Companies in which they hold Directorships and shareholding are provided in the Director's Report forming part of the Annual Report.
14. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for 2016-2017 will also be available on the website www.alacritysec.com for download.
15. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company.
16. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item Nos. 4 of the accompanying Notice dated August 14th, 2017.

ITEM NO. 4

The Board, at its meeting held on February, 2016 appointed **Mrs Nipa Prashant Sheth (DIN: 07420589.)** as an Executive Director of the Company with effect from November 2016, pursuant to Section 161 of the Companies Act, 2013.

RESOLVED THAT pursuant to the provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial personnel) Rules,

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2014, read with Schedule V of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, approval of the members be and is hereby accorded to the re-appointment of Mr. Nipa P Sheth (DIN07420589) as “Executive Director” of the Company liable to retire by rotation, with designation styled as Whole Time director for a period of 5 (five) years with effect from 12th November, 2016 on the terms and conditions including remuneration, as are set out in the draft of the Agreement to be entered into between the Company and Mrs. Nipa P Sheth, the draft Agreement is hereby approved (main terms of which are set out in the explanatory statement thereto), with liberty to the Board of Directors.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the Company shall pay Mrs. Nipa P Sheth remuneration as decided by the Board or any Committee thereof from time to time as minimum remuneration, with the approval of the Central Government, if necessary.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient or desirable to give effect to this resolution and also to revise the remuneration within the limit stipulated in the Companies Act, 2013

a) Salary:

Rs.50000 p.m. (Rupees Fifty Thousand only) with such annual increments / increases as may be decided by the Remuneration Committee from time to time.

b) Perquisites

Telephone, telefax and other communication facilities at Company's cost for Official purpose.

Subject to any statutory ceiling/s, the appointee may be given any other allowances, perquisites, benefits and facilities as the Remuneration Committee / Board of Directors from time to time may decide.

c) Valuation of perquisites

Perquisites/allowances shall be valued as per the Income Tax rules, wherever applicable, and in the absence of any such rules, shall be valued at actual cost.

d) Minimum remuneration

In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment, the appointee shall subject to the approval of the Central

ALACRITY SECURITIES LTD

Government, if required, be paid remuneration by way of salaries and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out, from time to time.

e) Other terms

The terms and conditions of the said appointment may be altered and varied from time to time by the Board of Directors as it may, in its discretion, deem fit within the maximum amount payable to the appointee in accordance with the provisions of the said Act or any amendments made therein or with

2. BENEFITS:

Apart from your annual salary, you will be eligible for additional employee benefits like bonus which would be paid annually on pro-rata basis. .

Annual General meeting. In the opinion of the Board of Directors, **Mrs Nipa Prashant Sheth (DIN: 07420589.)** the Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the rules made there under. This Statement may also be regarded as a disclosure under regulation 15 of the Listing Regulation 2015 with the Stock Exchange. No director, key managerial personnel or their relatives, except Mr. Hiten R Mehta, and **Mrs Nipa Prashant Sheth (DIN: 07420589.)** to whom the resolution relates, is interested or concerned in the resolution. The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

Registered Office :

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PLACE : Mumbai

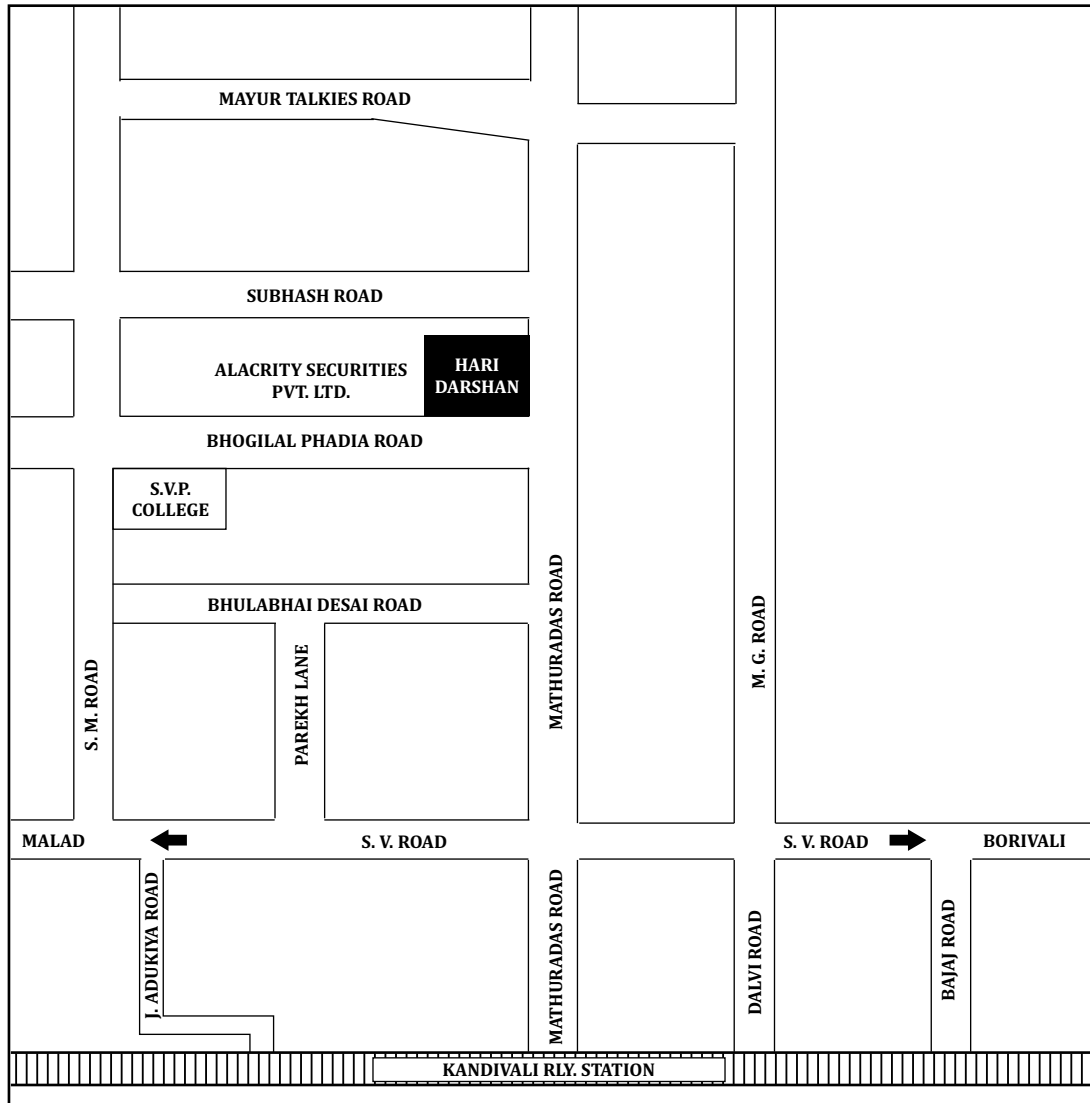
DATE : 14th August, 2017

By Order of the Board

Whole Time Director & CFO

Sd/-

Kishore V Shah



BOARD REPORT

To,

The Members,

Your Directors have pleasure in presenting their 23rd Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

1. Financial summary or highlights/Performance of the Company

The Board's Report shall be prepared based on the stand alone financial statements of the company.

Particulars	Year ended March-2017	Year ended March-2016
Gross Income	333359176	45,08,66,297
Profit/Loss Before Depreciation	7915721	(13334300)
Less : Depreciation	1202293	2,043,941
Profit/Loss before Tax	6713428	(15378241)
Less:		
Provision for Tax	193273	NIL
Provision for Deferred Tax	1907361	(156465)
Prior Period Tax	-	360
Mat Credit	-193273	00000
Net Profit/Loss After Tax	48,06,067	(1,52,22,136)
Balance of Profit brought forward	66,69,978	2,18,91,614
Balance available for appropriation	-	-
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	-	-
Adjustment related to fixed Asset and Deferred Tax	-	-
Surplus carried to Balance Sheet	1,14,75,545	66,69,478

Operations

The Indian Economy has been passing through a stagnant phase for the last two years which has affected industry and Finance companies/ Banks tremendously. The outlook on India in the last couple of years had become bearish with infrastructure projects (which are the backbone of any economy) languishing due to no clear policy of the then Government.

Many industries/projects shut down or did not take off from the drawing board. All these factors led to the finance sector including Banks coming under tremendous pressure from collection of loans from Industry.

With a new Government having been formed in at the Central level there is a wave of optimism in industrial and financial sectors and with decisions being taken for clearances of projects of over 21000 crores by the Government, there is full hope of high growth for the economy which would result in the financial sector gaining back its robust health.

2. Financial Highlights

Standalone Revenues:

During the fiscal 2017, the gross operational income of the Company stood at Rs. 324735488 as compared to previous fiscal of `Rs. 442169603

Standalone Profits / (Loss) :

Profit stood at Rs 6713428 before Tax and Profit after tax stood as 4806067 for the fiscal 2017 as compared to the previous year loss before Tax 15378241 and loss after tax 15222136

3. Change in the nature of business, if any

No change of business occurs during the year under review.

4. Dividend

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

5. Reserves

The amounts, as on ended of financial year in, Share Premium account is Rs 3,04,00,000 , General Reserves is Rs.53,50,000 and Surplus in Profit and Loss accounts is Rs 11475545.

6. Share Capital**ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS**

The company under the provision of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 [Chapter IV] does not issued shares with differential rights during the year under review.

ISSUE OF SWEAT EQUITY SHARE

The company under the provision Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 has not issued any sweat equity share during the year under review

BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

BONUS SHARES

No Bonus Shares were issued during the year under review.

7. Directors and Key Managerial Personnel

Mrs. Hiten R Mehta, Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

Mrs. Nipa P Sheth, has been appointed as Executive Director, retire by rotation w.e.f November 2016.

Mr. Hiten R Mehta has step down as Non-Executive Director w.e.f. November, 2016

8. Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year seven Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

9. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulation 2015 the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out is explained in Corporate Governance Report.

10. Declaration by an Independent Director(s) and re- appointment, if any

A declaration by an Independent Director(s) that he/they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and prescribed regulation of Listing Regulations, 2015 as been received by the directors.

An independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

11. Remuneration Policy:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy has been stated in the Corporate Governance Report.

12. Managerial Remuneration:

A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in this report.

13. Details of Subsidiary/Joint Ventures/Associate Companies

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is not applicable to the company. Company does not have any subsidiary.

14. Auditors:

M/s. ABN & Co., Chartered Accountants, FR No.004447C hold office has proposed as new Auditors of the Company due to compulsory rotation of Auditor ,as required by the Act.

The Company has received letter from M/s. ABN & Co., Chartered Accountants to the effect that ,their appointment ,if made would be in the prescribed limit under 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re appointment.

The Notes in the Financial statement referred to in the Auditor's report are self explanatory and do not call for any further comments

15. Auditors' Report

The Auditors' Report does not contain any qualification except below mentioned. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

The Company is not accounting for liability for gratuity and leave encashment as required under accounting standard 15 (AS-15) relating to employees Benefits as referred to in Note 27 of Notes to accounts. We are unable to comment upon the resultant effect on assets, liabilities and loss for the year as the amount of such benefit is presently not ascertainable.

Director's Reply: As regard the non-making provisions for retirement benefits of employees like gratuity and leave encasement, the same has not been done in view of meagre staff strength.

16. Disclosure about Cost Audit

As per the Cost Audit Orders, Cost Audit is not applicable to the Company.

17. Secretarial Audit Report

In terms of Section 204 of the Act and Rules made there under, M/s Nishu Jain & Associates Practicing Company Secretary has been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Annexure II to this report.

The Board has appointed Nishu Jain ; Nishu Jan & Associates ,Practicing Company Secretary ,as Secretarial Auditor of the Company for Fiscal 2018

18. Internal Audit & Controls

The Company has appointed Hemant P Bhalekar ,external firm of Chartered accountants as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

19. Issue of employee stock options

The Board of directors, shall, inter alia, disclose in the Directors' Report for the year, the details as provided in rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.

Particulars	Not Applicable
Approval	
Options granted	
Options vested	
Options exercised	
Total number of shares arising out of exercise of options	
Options forfeited/lapsed/cancelled	
Variations of terms of options	
Money realized by exercise of options	
	NOT APPLICABLE
Total number of options in force	

Notes: -

1. Details of options granted during the Financial Year 2016-17 to:

Particulars	NOT APPLICABLE
(a) Directors and key managerial personnel	
(b) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year (includes employees and group company employees)	
(c) Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	

20. Vigil Mechanism :

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.alacritysec.com under investors/policy documents/Vigil Mechanism Policy link.

21. Risk management policy:

Pursuant to Section 134(3) (n) of the Companies Act 2013 & prescribed regulation of the Listing Regulations 2015, the Company has constituted a Business Risk Management Committee. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Boards Report.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

22. Extract Of Annual Return:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **ANNEXURE I**.

23. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

No Material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report like settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc.

24. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

No significant and material order has been passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future. The company is doing reasonable growth and development.

25. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.

The company has adequate internal control systems in place. With a view to monitor the Company's performance as well as to make sure that internal checks and controls are operating properly, the Company has appointed external firms of Chartered Accountant as Internal auditor. The audit committee ensures that the internal control systems are adequate and working effectively.

26. Deposits

The details relating to deposits, covered under Chapter V of the Act,-

The details relating to deposits, covered under Chapter V of the Act,-

a.	accepted during the year;	NIL
b.	remained unpaid or unclaimed as at the end of the year;	NIL
c.	whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	NIL
	(i) at the beginning of the year;	NIL
	(ii) maximum during the year;	
	(iii) at the end of the year;	

The details of deposits which are not in compliance with the requirements of Chapter V of the Act;

27. Particulars of loans given, guarantees provided or investments made under section 186

Particulars of loans given, Investment made ,guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statement (Please refer to Note No. 12 to 13 to the financial statement).

28. Particulars of contracts or arrangements with related parties:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 and prescribed regulation of the Listing Regulation 2015 ,during the financial year ended March 31,2017 are given below. Suitable disclosures as required under AS 18 have been made in the Financial Statement.

Sub Brokerage: Mrs Meeta H Mehta –INR 19,30,6,36 & Mr. Mihir K Shah – INR 5969

Remuneration of Key Managerial Personnel: Mr. Kishore V Shah –INR 7,15,000 and Hiten R Mehta –INR 154000(Being paid for seven Months w.e.f April 2016 to October 2016) and Nipa Sheth Rs 77,500(Being paid for Five Months w.e.f November 2016)

All transactions entered into with related parties are in the ordinary course of business and are on arm's length except transaction of Interest free Loan to associate Company.

All Related Party Transaction are placed before the Audit committee for approval. Prior omnibus approval of the Audit committee is obtained on yearly bases which are of foreseen and repetitive in nature. The policy on Related Party Transactions as approved by Board is uploaded on the Company's website at <http://www.alacritysec.com/policy>.

Your Directors draw attention of the members to Note No. 28 to the Financial Statement which sets out related party disclosure.

29. Particulars of Employees

In terms of the provisions of Section 197 of the Companies Act, 2013, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. However as per the provisions of Section 136 of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining the information on employee's particulars, which is available for inspection by the members at the registered office of the Company during Business hours on working days of the Company up to the date of ensuing Annual General Meeting, may write to the Company at the registered office of the Company in advance.

30. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	NOT APPLICABLE
(ii)	the steps taken by the company for utilizing alternate sources of energy	
(iii)	the capital investment on energy conservation equipment's	

(b) Technology absorption

(i)	the efforts made towards technology absorption	NOT APPLICABLE
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	

(c) Foreign exchange earnings and Outgo**a) Conservation of energy**

(i)	the steps taken or impact on conservation of energy	NOT APPLICABLE
(ii)	the steps taken by the company for utilizing alternate sources of energy	
(iii)	the capital investment on energy conservation equipment's	

(b) Technology absorption

(i)	the efforts made towards technology absorption	NOT APPLICABLE
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	

(c) Foreign exchange earnings and Outgo

NOT APPLICABLE

31. Corporate Social Responsibility (CSR)

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 shall not be applicable to the Company.

32. Human Resources:

Your Company treats its “human resources” as one of its most important assets.

Your Company continuously invest in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

33. Corporate Governance:

As per Regulation 15(2) of the listing Regulations, 2015 with the Stock Exchanges, a detailed report on corporate governance practices followed by the Company together with the certificate from the Company's Statutory Auditors confirming compliance forms part of this report as “Annexure”

34. Insider Trading Regulations:

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prohibition of insider trading, as approved and adopted by the Directors and designated Employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information during the period of Trading Window Closure. The Board is responsible for implementation of the Code.

All Board of Directors and designated employees have confirmed compliance with the Code.

The Board has appointed Jai Prakash Jindal, Compliance officer under the code.

35. Directors' Responsibility Statement:

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

ALACRITY SECURITIES LTD

- (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 had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss 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 this Act 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; and
- (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.

36. Transfer of Amounts to Investor Education and Protection Fund :

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

37. Corporate Governance and Management Discussion And Analysis:

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March, 2017

38. Acknowledgements

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

For and on behalf of the Board of Directors
Signing as per Board resolution passed

Place: Mumbai
Date: 14/08/2017

Whole Time Director	Whole Time Director and CFO
Nipa P. Shah	Kishore V Shah
07420589	0197561

ALACRITY SECURITIES LTD**Annexure I****FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2017****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.****I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L99999MH1994PLC083912
2.	Registration Date	20/12/1994
3.	Name of the Company	Alacrity Securities Limited
4.	Category/Sub-category of the Company	Public Company/Limited by Shares
5.	Address of the Registered office & contact details	B-101,Haridarshan,Building,Bhogilal Phadia Road Kandivali West,Mumbai -400067 Tel : 022-2872 3819/6537,Fax : 022 2807 3967 Email : alacritysec@gmail.com Website: www.alacritysec.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt. Ltd. CIN : U99999MH1994PTC076534 E-2/3, Ansa Industrial Estate Saki Vihar Road Saki Naka Andheri (East) Mumbai 400 072. Board No 022 4043 0200 Direct No 022 4043 0367 Moblie No 07045454396 Fax No 022 2847 5207

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Stock Broking	6712	
2	Share Trading and Trading in F& O in Own ACCOUNT	6599	
3			

ALACRITY SECURITIES LTD

III. II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Stock Broking	6712	
2	Share Trading and Trading in F& O in Own ACCOUNT	6599	
3			

VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	9903700	0	9903700	46.98	10495700	0	10495700	49.7898	2.8065
b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total shareholding of Promoter (A)	0	0	9903700	46.98	10495700	0	10495700	49.7898	2.8065
B. Public Shareholding									
1. Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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b) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(1):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2. Non-Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) Bodies Corp.	379000	0	379000	1.7979	59000	0	59000	0.2799	NIL
i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Individual shareholders holding nominal share capital up to Rs. 2lakh	2060000	16600	2076600	9.8510	1948000	16600	1964600	9.3197	NIL
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	7735000	969700	8704700	41.2936	7583000	969700	8552700	40.5726	NIL
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Non Resident Indians	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Overseas Corporate Bodies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Nationals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Clearing Members	16000	0	16000	0.0759	8000	0	8000	0.0380	0
Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Bodies - D R	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(2):-	10190000	986300	11176300	53.0185	9598000	986300	10584300	50.2102	2.80

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Total Public Shareholding (B)=(B)(1)+(B)(2)	10190000	986300	11176300	53.0185	10190000	98630	11176300	53.0185	
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	20027700	0	21080000	0	0	0	0	0	0

B) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	POO JA HEMANSHU MEHTA	9744700	46.2272	0	103367000	49.0356	0	NIL
2	HEMANSHU RAMNIKLAL MEHTA	159000	0.7543	0	159000	0.7543	0	NIL

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	POOJA HEMANSHU MEHTA	9744700	46.23	592000	49.03	103367000	2.80
2	HEMANSHU RAMNIKLAL MEHTA	NIL	NIL	NIL	NIL	NIL	NIL

ALACRITY SECURITIES LTD

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01/04/2016		Cumulative Shareholding during the Year 1/04/2016 – 31/03/2017		Shareholding at the end of the financial year 31/03/2017	
		No. of shares	% of total	No. of shares	% of total	No. of shares	% of total
			shares of the company		shares of the company		shares of the company
1	Rakhi S Bohra	500000	2.3719	NIL	NIL	500000	2.3719
2	Anish Dilip Shah	500000	2.3719	NIL	NIL	500000	2.3719
3	Manish Dilip Shah	500000	2.3719	NIL	NIL	500000	2.3719
4	Jigar Prataprai Vohra	500000	2.3719	NIL	NIL	500000	2.3719
5	Sheetal Jigar Vohra	500000	2.3719	NIL	NIL	500000	2.3719
6	Monica Ramesh Shah	500000	2.3719	NIL	NIL	500000	2.3719
7	Moin Akhtar Qureshi	312000	1.4801	NIL	NIL	312000	1.4801
8	Nasreen Moin Quresi	280000	1.3283	NIL	NIL	280000	1.3283
9	Vipul Ajitkumar Dave	250000	1.1860	NIL	NIL	250000	1.1860

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year 1/04/2016		Date Wise/Increase/Decrease/in Shareholding .		Cumulative Shareholding during the year/at the end of the year 31/03/2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Jai Prakash Jindal Independent Director	NIL	NIL	NIL movement during the year		NIL	NIL
2	Ankur Mehta Independent Director	NIL	NIL	NIL		NIL	NIL
3	Nipa P. Sheth Executive Director Non Independent	NIL	NIL	Nil Movement during the year		NIL	NIL
4	Hiten R Mehta Whole Time Director and CFO	NIL	NIL	NIL Movement during the year		NIL	NIL
5	Kishore V Shah	NIL	NIL	NIL Movement during the year		NIL	NIL

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F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	9,08,39,673	NIL	NIL	9,08,39,673
i) Principal Amount	9,08,39,673	NIL	NIL	9,08,39,673
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	9,08,39,673	NIL	NIL	9,08,39,673
Change in Indebtedness during the financial year		NIL	NIL	
* Addition	41,00,000	NIL	NIL	41,00,000
* Reduction	4,02,15,171	NIL	NIL	4,02,15,171
Net Change		NIL	NIL	
Indebtedness at the end of the financial year		NIL	NIL	
i) Principal Amount	5,47,24,502	NIL	NIL	5,47,24,502
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	5,47,24,502	NIL	NIL	5,47,24,502

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	WTD	WTD/CFO		Total Amount
		Hiten R Mehta	Kishore V Shah	Nipa P. Sheth	
1	Gross salary	715000	710000	77500	746000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	715000	710000	77500	746000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-			
2	Stock Option	-			
3	Sweat Equity	-			
4	Commission - as % of profit - others, specify...	-			
5	Others, please specify (Bonus and Leave encashment)	-			
	Total (A)	715000	710000	77500	9,46,500
	Ceiling as per the Act				

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B. Remuneration to other directors

SN.	Particulars of Remuneration				
		Nipa P. Sheth	Ankur Mehta	Jai Prakash Jindal	Total Amount
1	Independent Directors		NIL	NIL	NIL
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (1)				
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	NIL			NIL
	Commission				
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

Due to inadequate profit of the Company, the Board of Directors decided not to pay sitting fees and commission to the Directors for attending meetings for the financial year 2016-17.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary Rs.	Total
1	Gross salary	145200 -	144500
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	others, specify...		
5	Others, please specify	145200	144500
	Total		

ALACRITY SECURITIES LTD**XII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

A. COMPANY					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

Annexure-II

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH, 2017

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

To,
The Members,
Alacrity Securities Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Alacrity Securities Limited**. (Hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **Alacrity Securities Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Alacrity Securities Limited for the financial year ended on 31st March, 2017 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;

ALACRITY SECURITIES LTD

- (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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The other laws as may be applicable specifically to the company
 - a) The Securities and Exchange Board of India (Stock Brokers and Sub- Broker) Regulation, 1992.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India -Complied
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Ltd.

During the period under review and as per the representations and clarification made by the management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

I further report, that

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

As informed by the Company, due to inadequate profit during the year, the Board has decided not to pay sitting fees to the Directors for the financial year 2016-17.

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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

Decision at the Board Meetings was taken unanimously.

I further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

as informed, the Company has responded to notices for demands, claims, penalties etc levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

Nishu Jain & Associates

Company Secretaries

Sd/-

Nishu Jain

FCS: 9170, C P No.:14802

Place: Mumbai

Date: August 10, 2017

*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,
Alacrity Securities Limited
B-101, Haridarshan, Bhogilal
Phadia Road, Kandivali-West
Mumbai – 400067.MH

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes 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 processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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 procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Nishu Jain & Associates

Company Secretaries

Sd/-

Nishu Jain

FCS: 9170, C P No.:14802

Place: Mumbai

Date: August 10, 2017

CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY:

Your Company has implemented the Guidelines of Corporate Governance in terms Regulation 27(2) of the Listing Regulations 2015 executed with the Bombay Stock Exchange. For us Corporate Governance is not only a set of rules that define the relationship between the stakeholders and the management of a company but it is the way the company operates. Corporate Governance is both the structure and the relationship which determine corporate direction and performance. The Company's philosophy on good Corporate Governance is maintained by being transparent, accounting implementing policies, setting and adhering to appropriate disclosure norms, learning and implementing best-in-class Board practices and displaying consistently high standards of corporate conduct towards its stakeholders.

Regulation 27(2)

Regulation 27(2) of the Listing Regulations 2015, as applicable, entered between a company and the Stock Exchanges is a benchmark for the compliance practices and rules required to be followed by all listed companies. At Alacrity, we not only adhere to the prescribed corporate governance standards and practices but we constantly strive to adopt the emerging best practices. Corporate Governance has always been an integral and indispensable practice. We believe that corporate governance is a journey towards sustainable value creation and is always an upward moving target.

Governance Policies

- Code of Conduct
- Code of Conduct of Insider Trading
- Vigil Mechanism and Whistle Blower Policy
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- Policy for Selection of Directors and determining
- Directors Independence
- Remuneration Policy for Directors, Key Managerial Personnel and other Employees
- Policy for determining Material Subsidiaries

Audits and internal checks and balances

M/s. ABN & Co., Chartered Accountants, FR No.004447C audit firms proposed as the

Auditor of the Company due to rotation of Auditor's, as required by Companies Act 2013 . The Company has an Internal Audit Cell besides external firms acting as independent internal auditors that reviews internal controls and operating systems and procedures. A dedicated Legal Compliance Cell ensures that the Company conducts its businesses with high standards of legal, statutory and regulatory compliances.

Best Corporate Governance practices

ASL maintains the standards of Corporate Governance. It is the Company's constant endeavour to adopt the best Corporate Governance practices keeping in view the international codes of Corporate Governance and practices of well-known global companies. Some of the best implemented global governance norms include the following:

The Company has a designated Lead Independent Director with a defined role.

All securities related filings with Stock Exchanges and SEBI are reviewed every quarter by the Company's Stakeholders' Relationship Committee of Directors.

The Company has independent Board Committees for matters related to Corporate Governance and stakeholders' interface and nomination of Board members.

The Company's internal audit is also conducted by independent auditors.

The annual Secretarial Audit reports are placed before the Board, is included in the Annual Report.

Shareholders' communications

The Board recognises the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. Shareholders seeking information related to their shareholding may contact the Company directly or through any of the Investor service centres of the Company's Registrars and Transfer Agents , details of which are available on the Company's website. ACL ensures that complaints and suggestions of its shareholders are responded to in a timely manner.

Role of the Company Secretary in overall governance process

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

I. Board of Directors:**a) Composition of the Board:**

As on 31 March 2017, Alacrity's, Board comprised of **Five** Directors. The Board functions either as a full Board or through committee. Policy formulation, setting up of goals and evaluation of performance and control functions vests with the Board while the Committees look after operational issues.

Mr. Kishore Shah	-	Whole Time Director and CFO
Mr. Jai Prakash Jindal	-	Non Executive & Independent
Mr. Hiten Mehta	-	Non-Executive Director
Mr. Ankur Mehta	-	Non Executive & Independent Director
Mrs Nipa Prashant Sheth	-	Executive Director

****Mrs. Nipa Prashant Sheth has appointed as whole Time Director w.e.f. 12th November, 2016.**

Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Human Resources, Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, *inter alia*, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

Familiarisation programmes for Board Members

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on

business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held during the year. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

the Company viz.- Customer Value, Ownership Mind-set, Respect, Integrity, One Team and Excellence.

A copy of the Code has been put on the Company's website (www.odysseycorp.in). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually. A declaration signed by the Company's Director is published in this Report.

Lead Independent Director

The Company's Board of Directors has designated Shri Ankur Mehta as the Lead Independent Director. The Lead Independent Director's role is as follows:

- To preside over all meetings of Independent Directors
- To ensure there is an adequate and timely flow of information to Independent Directors
- To liaise between the Chairman, the Management and the Independent Directors
- To preside over meetings of the Board and Shareholders when the Chairman and Directors is not present, or where he is an interested party
- To perform such other duties as may be delegated to the Lead Independent Director by the Board/ Independent directors

Meetings of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director.

The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Chairman one meetings of Independent Directors were held during the year.

Code of Conduct

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as

maybe applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company. A copy of the Code has been put on the Company's website (www.alacritysec.com).

The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

A declaration signed by the Chief Executive Officer/whole Time Director is published in this Report.

Whistle Blower policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct.

The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee

Directors' Profile

A brief resume of Directors, nature of their expertise in specific functional areas and names of companies in which they hold Directorships, Memberships/ Chairmanships of Board Committees, and shareholding in the Company are provided in this Report.

BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND PROCEDURES**Institutionalized decision-making process**

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long term interests are being served. The Board has constituted four Committees, namely Audit Committee, Nomination and Remuneration committee, Stakeholders' Relationship Committee, and Risk Management Committee. The Board is authorised to constitute additional functional Committees, from time to time, depending on business needs.

Scheduling and selection of agenda items for Board meetings

Minimum five pre-scheduled Board meetings are held annually. Additional Board meetings

are convened by giving appropriate notice to address the Company's specific needs.

The meetings are usually held at the Company's office at B- 101, Haridarshan, Bhogilal Phadia Road Kandivali West Mumbai 400 067.

The Board is given presentations covering Finance, Marketing, the Company's major business segments and their operations, overview of business operations of subsidiary companies, the Company's business areas, including business opportunities and strategy and risk management practices before taking on record the Company's quarterly/annual financial results.

The items / matters required to be placed before the Board, inter alia, include:

- Annual operating plans of businesses and budgets including capital budgets and any updates
- Half-yearly results of the Company
- Company's annual Financial Results, Financial Statements, Auditors' Report and Board's Report
- Minutes of meetings of the Audit Committee and other Committees of the Board
- Show cause, demand, prosecution notices and penalty notices, which are materially important
- Any material default in financial obligations to and by the Company, or substantial non-payment
- Any issue, which involves possible public or product liability claims of substantial nature,
- Details of any joint venture or collaboration agreement
- Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business.
- Non-compliance of any regulatory, statutory or listing requirements, and shareholders' service, such as dividend non-payment, share transfer delay (if any), among others
- Appointment, remuneration and resignation of Directors
- Formation/reconstitution of Board Committees Terms of reference of Board Committees
- Minutes of Board meetings of unlisted subsidiary companies
- Declaration of Independent Directors at the time of appointment/annually
- Disclosure of Directors' interest and their shareholding

- Appointment or removal of the Key Managerial Personnel
- Appointment of Internal Auditors and Secretarial Auditors
- Quarterly / Annual Secretarial Audit reports submitted by Secretarial Auditors
- Dividend declaration
- Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made
- Significant changes in accounting policies and internal controls
- Takeover of a company or acquisition of a controlling or substantial stake in another company
- Statement of significant transactions, related party transactions and arrangements entered by unlisted subsidiary companies
- Issue of securities including debentures
- Recommending appointment of and fixing of remuneration of the Auditors as recommended by the
- Audit Committee
- Internal Audit findings and External Audit Reports (through the Audit Committee)
- Status of business risk exposures, its management and related action plans
- Making of loans and investment of surplus funds
- Borrowing of monies, giving guarantees or providing security in respect of loans
- Buyback of securities by the Company
- Diversify the business of the Company
- Brief on statutory developments, changes in government policies, among others with impact
- thereof, Directors' responsibilities arising out of any such developments
- Compliance Certificate certifying compliance with all laws as applicable to the Company
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996
- Brief on information disseminated to the press
- The Chairman of the Board and Company Secretary, in consultation with other concerned members of the senior management, finalise the agenda for Board meetings.
- The agenda and notes on agenda are circulated to Directors in advance, and in the defined agenda format.

- All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted with permission of Chairman

Recording minutes of proceedings at Board and Committee meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

Post meeting follow-up mechanism

The guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees thereof.

Important decisions taken at Board/Board Committee meetings are communicated promptly to the concerned departments/divisions.

Action-taken report on decisions/minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Board Committee for noting.

Number of Board meetings held with dates:

Seven Board meetings were held during the year, as against the minimum requirement of five meetings.

In 2016-17 the Board of the Company met Seven times on ,30th May,2016, 12th August 2016, 16th September 2016, 14th November,2016, 23rd December 2016,15th January 2017,and 14th February 2017 .

c) Directors' Attendance Record and Directorships:

The attendance record of each director at the Board of Directors Meeting and at previous Annual General Meeting along with details of membership and/or chairmanship in Boards/or Committees is given below:

Composition of the Board / No. of Board Meetings/ Attendance record & Directorship etc:

Name of the Directors	Category of Directorship	Attendance Particulars			No. of other Directorships and Committee membership / Chairmanships in other Indian public companies		
		Number of Board Meetings		Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
		Held	Attended				
Mr. Ankur Mehta	Non Executive Independent	7	7	Yes	---	---	---
Mr. Hiten Mehta	Non Executive Director	7	7	Yes	5		
Mr. Kishore V Shah	Executive Director	7	6	Yes	--	---	---
Jai Prakash Jindal	Non-Executive Independent	7	7	Yes	3		
Nipa P. Sheth	Executive Director	7	6	Yes	3		

Directors' Remuneration:

Due to inadequate profit of the Company the Board of Directors decided not to pay any sitting fees to the Directors for the financial year 2016-17, for attending meetings.

The remuneration paid to Mr. Kishore Shah , whole time Director is Rs 7,15,000, Mr. Hiten Mehta Rs. 1,54,000 (Since April, 2016 to October 2016) and Mrs Nipa P Sheth Rs 77500 (Since November 2016 to March, 2017) for the Financial year 2016-2017.

II. BOARD COMMITTEES:

The board has constituted the following committees of Directors:

- a. **Audit Committee**
- b. **Remuneration Committee**
- c. **Shareholder's Grievance Committee**

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The following committees have been formed in compliance with the corporate governance norms:

Audit Committee

Remuneration Committee

Shareholders/Investors Grievance Committee

AUDIT COMMITTEE

Our Company has constituted an audit committee ("**Audit Committee**"), as per the provisions of the Companies Act, 2013 and 52 of the SME listing Agreement and Regulation 27(2) of the Listing Regulations 2015, as applicable to be entered with Stock Exchange, vide resolution passed in the meeting of the Board of Directors.

The terms of reference of Audit Committee complies with the requirements of the Listing Agreement,/Listing Regulations 2015, as applicable, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises following three (3) directors. **Ankur Mehta** is the Chairman of the Audit Committee.

Sr. No.	Name of the Director	Status	Nature of Directorship	No.of Meetings Held	Attended
1.	Mr.Ankur Mehta	Chairman	Independent Director	4	4
2.	Mr. Jaiprakash Jindal	Member	Independent Director	4	4
3.	Mr. Kishore V Shah	Member	Executive Director	4	4

Representatives of the statutory auditors are regularly invited by the Audit Committee to its meetings.

Terms of reference:

- (a) Review of the Company's financial reporting process and financial statements.
- (b) Review of accounting and financial policies and practices.
- (c) Review of Internal control systems.
- (d) Discussion with Statutory Auditors on any significant findings and follow-up thereon.
- (e) Reviewing the Company's financial and risk management policies.

The Statutory Auditors are invitees to the Meeting.

Powers of Audit Committee:

The Audit Committee has the following powers:

- i) To investigate any activity within its terms of reference;
- ii) To seek information from any employee;
- iii) To obtain outside legal or other professional advice;
- iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.

b) REMUNERATION COMMITTEE

Our Company has constituted a remuneration committee ("**Remuneration Committee**"). The Remuneration Committee was constituted vide resolution passed at the meeting of the Board of Directors held on 04th January, 2013. During the financial year, **one** meeting of Committee was held on **30th May 2016** to recommend the sitting fee payable to the all the Non executive Directors

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Jaiprakash Jindal	Chairman	Independent Director
2.	Mr. Ankur Mehta	Member	Independent Director
3.	Ms. Nipa P. Sheth	Member	Non Executive and promoter Director

c) SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

Our Company has constituted a shareholder / investors grievance committee ("**Shareholders / Investors Grievance Committee**") to redress the complaints of the shareholders. The Shareholders/Investors Grievance Committee was constituted vide resolution passed at the meeting of the Board of Directors held on 04th January, 2013. The committee currently comprises of three (3) Directors.

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Sr. No.	Name of the Director	Status	Nature of Directorship	No. Of Meetings	
				Held	Attended
1.	Nipa P. Sheth	Chairman	Non Executive Director	4	2
2.	Mr. Ankur Mehta	Member	Independent Director	4	4
3.	Mr. Kishore Shah	Member	Executive Director	4	4

d) Code of Conduct:

The Board of Alacrity Securities Limited has adopted and laid down a code of conduct for all Board members and Senior Management of the company. All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct. The declaration by the Whole Time Director and CFO in this respect appears elsewhere in this report.

e) INVESTOR COMPLAINTS

The Company has not received any complaints from shareholders during the year as shown below. The average time to be taken by the Company to resolve complaints is 15-20 days.

Nature of complaint	Complaints received	Complaints redressed	Complaints Pending
Non-receipt of share certificates	-	-	-
Non-receipt of dividend/interest warrant	-	-	-
Non-receipt of annual report	-	-	-
Non-completion of transfer procedure	-	-	-
Total	-	-	-

e) PERFORMAMCE EVALUATION COMMITTEE

The company has formed a performance evaluation committee consisting of the following members

Name of The Member Designation

Ankur Mehta	-	Chairman
Hiten R. Mehta	-	Member
Kishore V Shah	-	Member

The committee met 1 times during the financial year ended March 31, 2017. The attendance record of the members at the meeting were as follows

Name of the Member	Designation	Attendance
Ankur Mehta	Chairman	1
Hiten R. Mehta	Member	1
Kishore V Shah	Member	1

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement/Regulations 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Appointment and Remuneration Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board' functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department .The Directors expressed their satisfaction with the evaluation process.

III. Subsidiary Companies There is no Subsidiary as per provisions of Listing Agreement of the Stock Exchange of Alacrity Securities Limited.

IV) Risk Management Committee Composition of the Committee

Name of the Member	Designation	Attendance
Ankur Mehta	Chairman	2
Hiten R. Mehta	Member	1
Kishore V Shah	Member	2

The Risk Management Committee (RM Committee) was constituted by the Board on October 13, 2014 adhering to the requirements of the Companies Act, 2013 and the Listing Agreement/Listing Regulations 2015 as applicable. The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of the Listing Agreement/Listing Regulations 2015 as applicable

Role and Responsibilities of the Committee includes the following:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk Minimisation
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed
- Performing such other functions as may be necessary or appropriate for the performance of its oversight function

IV. DISCLOSURES:

- There were no materially significant related party transactions during the year that may have potential conflict with the interest of the Company at large.
- There were no instances of any material non compliance during the last three years by the Company on any matter related to capital markets. There was no penalties imposed nor did strictures pass on the company by stock exchanges, SEBI or any statutory authority.
- All disclosures relating to financial and commercial transactions where Directors

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may have a potential interest are provided to the Board, and the interested Directors do not participate in the discussion nor do they vote on such matters.

- The Company has followed the Accounting Standard issued by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements and there were no Audit qualification in this regard.
- Transactions with related parties are disclosed– 'Notes forming part of the Accounts' annexed to the financial statements of the year.
- In terms of Listing Agreement/Listing Regulations 2015 as applicable, the Chief Executive Officer have furnished a certificate for the financial year ended 31st March 2017 to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls, The said certificate is attached at the end of the report.
- Proceeds from the Initial Public Offer of the Company: The Details about the utilization of the proceeds raised through Initial Public Offer of equity shares of the Company are disclosed to the Audit
- Committee. The Company has not utilized these funds for the purposes other than those mentioned in the prospectus of the Company.

Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years

V. A) GENERAL BODY MEETINGS:

Date, time and venue for the **last three** annual general meetings are given below.

Details of last three Annual General Meetings:

Financial Year	Date	Time	Venue
2013 / 2014	27th Sept., 2014	10.00 A.M.	B/102, Haridarshan, Bhogilal Phadia Road, Kandivli (West), Mumbai - 400 067.
2014 / 2015	29th Sept., 2015	10.00 A.M.	B/102, Haridarshan, Bhogilal Phadia Road, Kandivli (West), Mumbai - 400 067.
2015 / 2016	29th Sept., 2016	10.00 A.M.	B/102, Haridarshan, Bhogilal Phadia Road, Kandivli (West), Mumbai - 400 067.

Resolutions under

None of the business required to be transacted at the forthcoming Annual General Meeting is proposed to be passed by postal ballot.

VI. MEANS OF COMMUNICATION:

- A. All material information about the company is promptly submitted to the Bombay Stock Exchange Ltd. where the Company's shares are listed. Half-Yearly and Annual Financial Results will be sent to the exchange for the information of the shareholders. The financial results will also be displayed on the Company's web site and on the official website of Bombay Stock Exchange Limited.

The Board of Directors of the Company approved and took on record the Un-Audited / Audited financial results within 45 days of quarter / half year and communicated these results to all Stock Exchanges where the shares of the Company are listed and also put on Company's website www.alacritysec.com

Note: Un-audited Financial Results were intimated to Stock Exchanges with in 45 days of first half year ended along with the Limited Review Report and Audited Financial Results for the last quarter / Financial year ending within 60 days of close of Financial year.

B. Annual Report:

The Annual Report containing, interalia, Audited Financial Statement, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website.

C. Corporate Filing and Dissemination System (CFDS):

The CFDS portal jointly owned, managed and maintained by BSE is a single source to view information filed by listed companies. All disclosures and communications to BSE are filed electronically through the CFDS portal. In particular, the Company informs BSE all price sensitive matters or such other matters which in its opinion are material and of relevance to the members.

D. BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

BSE's Listing Centre is a web-based application designed for Corporate. All periodical compliance filings like shareholding pattern, corporate governance report, among others are also filed electronically on the Listing Centre.

E. SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are:

Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

F. Designated Exclusive email-id:

The Company has designated the following email-ids exclusively for investor servicing:

alacritysec@gmail.com

VII. MANAGEMENT DISCUSSION & ANALYSIS.

The Management Discussion and Analysis report is form part of Annual Report.

VIII. GENERAL SHAREHOLDERS INFORMATION:

Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is CIN No.: L99999MH1994PLC083912

a) Annual General Meeting:

Date: 28th September, 2017

Day : Thursday

Time: 10.00 AM

Venue: B-102, Haridarshan, Bhogilal Phadia Road, Kandivli [West]

Mumbai 400 067.

b) Financial Calendar:

1st April to 31st March.

Potential Time of Half-yearly Results:

First Half-year : Second week of November 2017

Second Half-year : Last week of May 2018

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d) Book Closure:

The books will be closed from 22.09.2017 to 28.09.2017 (both days inclusive) as Book closure for the Annual General Meeting.

e) Listing:

Equity shares of Alacrity Securities Limited are listed on the Bombay Stock Exchange Limited (SME).

The Company has paid annual listing fees for the financial year 2017-18.

Payment of Depository Fees

The Company has paid Annual Custody/Issuer fee for the year 2017-18 to NSDL and CDSL .BSE Stock Codes: 535916

ISIN for Dematerialization: INE030P01017

g) Market Price Data :The monthly high and low prices of company's equity shares at Bombay Stock Exchange Limited (BSE) for the year 2016-17

High and Low Prices at the BSE

Month	High (Rs.)	Low (Rs.)
April 2016	3.70	3.65
May 2016	00	00
June 2016	4.00	3.5
July 2016	4.20	3.65
August 2016	3.80	3.60
September 2016	3.18	2.90
October 2016	3.50	2.90
November 2016	3.50	3.50
December 2016	4.05	4.00
January 2017	6.31	4.00
February 2017	6.60	6.31
March 2017	8.95	7.57

h) Shareholding Pattern:

Share Holding Pattern as on 31 March 2017 given below:

Category	No. of shares held	Shareholding %
Promoters	10495700	49.7898
Clearing Members	8000	0.0380
Private Bodies Corporate	59000	0.2799
Resident Individuals	10517300	49.8923
Total	21080000	100.00

i) Distribution of shareholding as on 31st March 2017:

Range (in Rs)	Number of shareholders	Shares amount (in Rs)	Shareholding %
Up to 5000	2	6000	0.0028
20,001 to 30000	1	30000	0.0142
50,001 to 1,00,000	179	14360000	6.8121
1,00,001 and above	137	196404000	93.1708
Total	319	210800000	100.00

i) Share Transfer System:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both **NSDL & CDSL**. Share Transfer in physical form is approved by Shareholders/Investor Grievances Committee of Directors at regular interval to ensure that the Share Transfer complete in all respects are given effect to within valid period from the date of receipt.

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j) Registrar & Transfer Agent:

The company has appointed a Registrar and Share Transfer Agent, **M/s. BIG SHARE SERVICES PVT LTD**. E-2, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri [East], Mumbai 400 072.

M/s. BIG SHARE SERVICES PVT LTD, which is fully equipped to carry out share transfer activities and redress investor complaints.

k) Dematerialization of Shares as on 31st March, 2017: 95.32116%

Category	31/03/2017
Shares in Demat mode with NSDL	5571000
Shares in Demat mode with CDSL	14522700
Shares in Physical mode	986300
Total	21080000

l) Investor Correspondence Address:

Big Share Services Pvt. Ltd.

E-2, Ansa Industrial Estate,
Saki Vihar Road, Sakinaka,
Andheri [East], Mumbai 400 072.

Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund

Transfer of amount to Investor Education Fund has not applicable during the year under review,

COMPLIANCE CERTIFICATE OF THE AUDITORS

Certificate from the Company's Auditors, M/s. Lalit Kumar Dangi & CO., confirming compliance with conditions of Corporate Governance as stipulated under regulations of the Listing Regulations 2015, is attached to this Report.

ADOPTION OF MANDATORY AND NONMANDATORY REQUIREMENTS OF LISTING REGULATIONS 2015.

The Company has complied with all requirements of Regulation 27(2) of the Listing Regulations 2015.

The Company has adopted following non-mandatory requirements of Regulation 27(2) of the Listing Regulation 2015:

Reporting of Internal Auditor

The Internal Auditor directly reports to the Audit committee

**Declaration regarding Compliance of code of Conduct
by the Whole Time Director and CFO**

Annual Declaration by whole Time Director and CFO pursuant to Regulation 27(2) of the Listing Regulations 2015.

I, Kishore V Shah whole Time Director and Chief Financial Officer of ALACRITY SECURITIES LIMITED provided under regulation 27(2) of the Listing Regulations 2015. I hereby declare that all the Board members and Senior Management personnel of the company have confirmed compliance with the code of conduct for the financial year ended 31 March 2017.

FOR Alacrity Securities Limited

Whole Time Director & CFO

Sd/-

Kishore V Shah

Whole Time Director

Sd/-

Nipa P. Shah

Date August 14, 2017

Place: Mumbai

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Alacrity Securities Limited
Mumbai

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance for the year ended 31st March, 2017 as stipulated in the relevant provisions of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015 (Listing Regulations) as referred in 27(2) of Listing Regulations for the period 1st April 2016 to 31st March, 2017.

The compliance of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review and representation made by the Directors and the Management, to the best of our information and according to the explanations given to us, in our opinion, the company has complied with the conditions of Corporate Governance, as stipulated in above mentioned Listing Agreement/Listing Regulations, as applicable.

On the basis of certificate issued by the Registrar and Share Transfer Agent of the Company and the Minutes of meetings of the Shareholders/ Investors Grievance Committee of the Company, we state that, there were no investor grievances pending against the Company for a period exceeding one month.

We further state that, such compliance is neither an assurance as to the future viability of the Company, nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Lalit Kumar Dangi & Co
Chartered Accountants
Firm Registration No. 112107W

(CA Lalit Kumar Dangi)
Proprietor
M No. 045611

Date : 14th August, 2017
Place : Mumbai

WHOLE TIME DIRECTOR AND CFO CERTIFICATION

I, Kishore V Shah, Whole Time Director and CFO, of Alacrity Securities Limited, hereby certify to the Board that:

I have reviewed financial statements and the cash flow statement for the year 31st March 2017 and that to the best of our knowledge and belief:

These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by Alacrity Securities Limited during the year which are fraudulent, illegal or violative of the company's code of conduct.

I accept responsibility for establishing and maintaining internal controls for financial reporting in Alacrity Securities Limited and I have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting. I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps I have taken or propose to take to rectify these deficiencies.

I have indicated to the auditors and the Audit Committee Significant changes in internal control over financial reporting during the year;

Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

I affirm that I have not denied any personnel access to the Audit Committee of the company (in respect of matters involving alleged misconduct).

I further declare that all Board members and senior management have affirmed compliance with the code of conduct for the current year.

Whole Time Director & CFO

Sd/-

Kishore V Shah

Whole Time Director

Sd/-

Nipa P. Shah

Date August 14, 2017

Place: Mumbai

DETAILS OF DIRECTORS**DETAILS OF DIRECTORS**

Mr. Hiten Mehta, aged 49 years, is a Non-Executive Director of our Company. He studied in the field of commerce and acquired more than 20 years of experience in the stock market across research, dealing and execution with special focus on F & O segment of the Capital Markets. He oversees the operations of the Company with equal assistance from his dedicated team.

Mr. Kishore V Shah, aged 63 years is an Whole-Time Director and CFO of our Company. He is a Commerce Graduate and is well associated with the day to day affairs of the Company. He is predominantly responsible for Finance and Compliance division of the Company. He has been on the Board of Directors of our Company since July, 2009.

Mr. Jai Prakash Jindal, aged 63 years is an Independent Director of our Company. As an Independent Director, with corporate acumen he brings value addition to our Company. He has been on the Board of our Company since December, 2011.

Mr. Ankur Mehta, is an Independent Director of our Company. He studied in the field of Commerce and having more than 10 years of experience. As an Independent Director of our Company with financial expertise he brings value addition to our Company. He has been on the Board of our Company since March 2014.

Mrs. Nipa Sheth: Mrs. Nipa P Sheth, Executive Director of our Company. She has done Bachelor of Commerce from University of Mumbai, Maharashtra. She has been on the Board of Directors of our Company since February 15th, 2016.

MANAGEMENT DISCUSSION & ANALYSIS

THE INDUSTRY OVERVIEW

India has a transparent; highly technology enabled and well regulated stock / capital market. A vibrant, well developed capital market facilitates investment and economic growth. Today the stock markets are buoyant and have a range of players including mutual funds, FIIs, hedge funds, corporate and other institutions. Domestic savings and capital inflows are channelized in the capital markets.. In recent years, the capital markets have undergone substantial reforms in regulation and supervision. Reforms, particularly the establishment of SEBI, market-determined prices and allocation of resources, screen-based nation-wide trading, t+2 settlement, scrip less settlement and electronic transfer of securities, rolling settlement and derivatives trading have greatly improved both the regulatory framework and efficiency of trading and settlement. There are presently 23 recognized stock exchanges in India.

BUSINESS OVERVIEW

Our Company, Alacrity Securities Limited was founded in December, 1994 as Alacrity Securities Private Limited. Our Company was converted into a Public Limited Company in June 2001 and consequently the name was changed to Alacrity Securities Limited.

We are a diversified financial services company in India offering a wide range of products & services covering equity broking, F & O, currency derivatives and depository participants to all kinds of investors, namely, retail, high net worth individuals and Corporate. Our Company is led by Mr. Hiten Mehta who has more than 20 years of experience in the financial markets and have steered the growth of the Company.

We are members of Capital Market Segment & Trading Member of Futures & Options Segment of National Stock Exchange of India Ltd. & Bombay Stock Exchange Limited. Also, we are Trading Member of Currency Derivative Segment of MCX-SX and United Stock Exchange of India Ltd. Our business philosophy is always customer oriented and the services are offered under total confidentiality and integrity with the sole purpose of maximizing returns to clients. We have also entered into the field of Market Making for initial Public Offers.

FINANCIAL HIGHLIGHTS:

- 1) Paid up Share Capital of the Company as on 31st March 2017, stands at 21, 08, 00,000

ALACRITY SECURITIES LTD

divided into 21,08,00,00 number of equity Shares of Rs10/- each fully –paid up.

- 2) The amounts, as on ended of financial year in, Share Premium account is Rs 3,04,00,000 , General Reserves is Rs.53,50,000 and Surplus in Profit and Loss accounts is Rs 4806067
- 3) Income from operation stood at Rs. 32,47,35,488 /- for fiscal 2017
- 4) Profit/Loss before Taxes of fiscal 2017 was Rs. 4806067
-) Basic Earnings per Share for fiscal 2017 was Rs. 0.23
- 6) Net Worth of the company stood at Rs.17,46,57,251/- as on March 2017

REGULATORY:

Our activities are subject to supervision and regulation by multiple statutory and regulatory authorities including SEBI and the exchanges.

Company is complying various statutory provisions such as Companies Act Income –Tax, Service tax, BSE and NSE provisions and other applicable laws and regulations applicable to the Company.

INTENSE COMPETITION

Our Company faces significant competition from companies seeking to attract clients' financial assets. In particular, we compete with other Indian and foreign brokerage houses, public and private sector commercial banks operating in the markets in which we are present. In recent years, large international banks have also entered these markets. The profitability of the company depends upon volatility of the Company.

MANPOWER & EMPLOYEE RELATIONS:

Alacrity Securities Limited considers human resources a key element .The company has a competency based performance for identifying and developing managerial talent.

We are highly dependent on our senior management, our directors and other key personnel. Our future performance will depend upon the continued services of these persons. The loss of any of the members of our senior management, our directors or other key personnel may adversely affect our results of operations and financial condition. Emphasis is laid on providing adequate training to its employee, to meet the attitudinal and cultural values of the organization ethos to achieve the goals set.

ALACRITY SECURITIES LTD

The human resources of company are quite enough according to size, volume and transactions of business and employee relations are continued to be cordial during the year.

INTERNAL CONTROL SYSTEM AND ADEQUACY:

Alacrity Securities Limited has adequate internal control systems in place for safeguarding the assets, for ensuring that all transaction are in accordance with the policies of the Company, are duly authorized, recorded and reported. The objective is to prevent possibilities of frauds or other irregularities .The Company is working to further strengthen the systems for internal audit and risk assessment and mitigation.

CAUTIONARY STATEMENT

Statements in the Management Discussion & Analysis, describing the Company's objectives, projections and estimates are forward looking statement and progressive within the meaning of applicable laws & regulations. Actual result may vary from those expressed or implied. Important developments that could affect the Company's operations are significant changes in political and economic environment in India, tax laws, exchange rate fluctuation and related factors.

For Alacrity Securities Limited

Whole Time Director & CFO

Sd/-

Kishore V Shah

01975061

Whole Time Director

Sd/-

Nipa P. Shah

07420589

Date August 14, 2017

Place: Mumbai

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Independent Auditors' Report To the Members of Alacrity Securities Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Alacrity Securities Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory 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 Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the

auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Basis for Qualified Opinion

The Company is not accounting for liability for gratuity and leave encashment as required under accounting standard 15 (AS-15) relating to employees Benefits as referred to in Note 27 of Notes to accounts. We are unable to comment upon the resultant effect on assets, liabilities and loss for the year as the amount of such benefit is presently not ascertainable.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in the basis for Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, 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;

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- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph above, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f. The matter described in the Basis for Qualified Opinion paragraph above, in our opinion may not have an adverse effect on the functioning of the company.
- g. On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- h. 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 B'; and
- i. 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, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer to Note 26 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes (SBN) during the period from 8th November, 2016 to 30th December 2016 and the same are in accordance with books of accounts maintained by the company. Refer note no. 35 in the Notes to Financial Statements.

Chartered Accountants
Firm Registration No. 112107W
(CA Lalit Kumar Dangi)
Proprietor
M No. 045611

Date : 14 th August, 2017
Place : Mumbai

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Annexure A to the Auditor's Report

Referred in paragraph 1 of Our Report of even date to the members of Alacrity Securities Limited on the financial statements as of and for the year ended 31st March, 2017

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i.
 - (a). The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b). As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;
 - (c). According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of company
- ii.
 - (a) The inventories have been confirmed by the management with the statement of holding provided by the depository participant at regular intervals.
 - (b) In our opinion, the procedure of confirmation of securities held as stock in trade and the procedures followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory, there is no discrepancies noticed on verification of inventory.
- iii. The company has not granted any loan, secured or unsecured to companies, firms or other covered parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 185 and section 186 of the act, in respect of loans, Investment, guarantees and security.

- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- vi. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.
- vii. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the activities of the company
- viii.
 - (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, and excise duty were outstanding, at the year end for a period of more than six months from the date they became payable.
 - (c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.
 - (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- x. According to the information and explanations given to us and based on our examination of the records of the company, the company 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
- xi. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or

reported during the course of our audit.

- xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xiv. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. The Company is not required to be registered under section 45-IA of Reserve Bank of India Act 1934.

For Lalit Kumar Dangi & Co.
Chartered Accountants
F.R. No: 112107W

CA. Lalit Kumar Dangi
(Proprietor)
M. No 045611

Place: Mumbai
Date: May 30, 2017

Annexure B to the Auditor's Report

Report on Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Alacrity Securities Limited as of 31st March 2017 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 Control over financial reporting issued by 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 the 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 Companies Act, 2013.

Auditor's 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, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 were 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 auditors' judgment, 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 authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 31 March 2017, based on the internal

ALACRITY SECURITIES LTD

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 Lalit Kumar Dangi & Co.
Chartered Accountants
F.R. No: 112107W

CA. Lalit Kumar Dangi
(Proprietor)
M. No 045611

Place: Mumbai
Date: May 30, 2017

Notes to Financial Statements for the year ended 31st March 2017**1 STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES****1.1 Basis of preparation**

The financial statement have been prepared to comply in all material respect with the Accounting Standards notified under section 133 of the Companies Act, 2013 ("the Act"), read with rule 7 of the Companies (Accounts) Rules, 2014. The Financial statement have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those in the previous year.

1.2 Use of Estimates

The preparation of financial statement in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumption that affect the reported amounts of assets, liabilities and contingent liabilities at the reported date and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management best knowledge of current events and actions, actual results could differ from these estimates. Any revision in accounting estimates is recognised prospectively in current and future periods.

1.3 Fixed Assets:

Fixed Assets have been stated at original cost of acquisition including taxes duties freight and other incidental expenses related to acquisition and installation of the assets concerned.

1.4 Depreciation:

Depreciation on all tangible and intangible fixed assets is provided on the straight line method (SLM) upto 95% of the total cost of the basis of estimated useful lives as specified in Schedule II to the Companies Act 2013.

1.5 Investments:

Long-term investments are stated at cost. Provision for diminution in the value of long term investment is made only if such decline is other than temporary.

1.6 Inventory

Stock in trade in shares is valued at lower of cost and market value.

1.7 Revenue Recognition:

Brokerage are recognized when the transaction of sale and purchase of securities takes place.

1.8 Taxes on Income:

Tax on income for the current period is determined on the basis of Income Tax Act, 1961. Deferred tax is recognized on timing difference between the accounting income and taxable income for the year and quantified using the tax rate and laws enacted or substantively enacted as on the Balance Sheet Date. Deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized

1.9 Employees Benefit

Contribution to Provident Fund, Family Pension Fund are provided on accrual basis. Gratuity and Leave encashment are being accounted on payment basis,

1.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is

Probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.

1.11 Earnings Per Share

Earnings per share (Basic / Diluted) is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average numbers of equity shares outstanding during the period.

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ALACRITY SECURITIES LTD						
BALANCE SHEET AS AT 31/03/2017						
	Particulars	Note	As at 31/03/2017		As at 31/03/2016	
		No.	Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES						
	Shareholders' Funds					
	(a) Share Capital	2	210,800,000		210,800,000	
	(b) Reserves and Surplus	3	47,225,545	258,025,545	42,419,478	253,219,478
	Non - current liabilities					
	(a) Long term borrowings	4	3,449,108		-	
	(b) Deferred tax liabilities (Net)	5	2,073,838	5,522,946	166,477	166,477
	Current Liabilities					
	(a) Short Term Borrowings	6	50,624,502		90,567,220	
	(b) Trade Payables	7	27,085,413		6,724,786	
	(c) Other Current Liabilities	8	3,059,194		3,046,503	
	(d) Short Term Provisions	9	13,612,273	94,381,382	13,419,000	113,757,509
	TOTAL			357,929,873		367,143,464
II. ASSETS						
	Non - current assets					
	(a) Fixed Assets					
	(i) Tangible assets	10	12,253,993		8,626,937	
	(ii) Intangible assets		182,062		356,703	
			12,436,056		8,983,640	
	(b) Non - current investments	11	62,153,378		69,708,975	
	(c) Long Term Loans & Advances	12	8,162,166		8,162,166	
	(d) Other Non Current Assets	13	-	82,751,600	596,678	87,451,459
	Current Assets					
	(a) Inventories	14	80,647,316		76,261,414	
	(b) Trade receivables	15	22,243,436		8,993,466	
	(c) Cash and cash equivalents	16	104,720,970		136,609,442	
	(d) Short term loans and advances	17	64,763,591		56,208,349	
	(e) Other Current Assets	18	2,802,960	275,178,273	1,619,334	279,692,005
	TOTAL			357,929,873		367,143,464
	Significant Accounting Policies	1				
	Notes to the Financial Statement	1 to 35				

In Accordance with our Report attached

For Lalit Kumar Dangi & Co.

Chartered Accountants

Firm Registration No. 112107W

sd/-

(CA Lalit Kumar Dangi)

M NO. 45611

Place: Mumbai

Date: 30/05/2017

For and on behalf of the Board

sd/-

Nipa Prashant Sheth

Whole Time Director

sd/-

Kishore V Shah

Whole Time Director & CFO

sd/-

Leena Kumawat

(Company Secretary & Compliance Officer)

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ALACRITY SECURITIES LTD

ALACRITY SECURITIES LTD					
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March 2017					
Particulars	Note	2016-17		2015-16	
	No.	Rs.	Rs.	Rs.	Rs.
Revenue from Operations	19		324,735,488		442,169,603
Other Income	20		8,623,689		8,696,694
Total Revenue			333,359,176		450,866,297
Expenses					
Purchase of Shares			307,142,048		431,752,584
Changes in inventories of finished goods	21		-4,385,902		6,681,937
Short Tern Capital Gain/Loss (+/-)			-		
Employee benefits expense	22		3,574,966		3,441,660
Finance costs	23		6,183,116		10,578,827
Depreciation and amortization expenses	24		1,826,969		2,906,617
Other expenses	25		12,304,551		10,882,913
Total Expenses			326,645,749		466,244,538
Profit / (-) Loss before tax			6,713,428		-15,378,241
Tax expense:					
Current tax		193,273			
Deferred tax		1,907,361		156,465	
Prior period tax		-		360	
MAT Credit (Entitlement)/ availed		-193,273			-156,105
			1,907,361		
Net Profit / (-) Loss for the Year			4,806,067		-15,222,136
Earning per equity share:					
Basic & Diluted in Rs (Par Value of Rs 10 Per Share)			0.23		-0.72
Significant Accounting Policies	1				
Notes to the Financial Statement			1 to 35		

In Accordance with our Report attached

For Lalit Kumar Dangi & Co.

Chartered Accountants

Firm Registration No. 112107W

sd/-

(CA Lalit Kumar Dangi)

M NO. 45611

Place: Mumbai

Date: 30/05/2017

For and on behalf of the Board

sd/-

Nipa Prashant Sheth

Whole Time Director

sd/-

Kishore V Shah

Whole Time Director & CFO

sd/-

Leena Kumawat

(Company Secretary & Compliance Officer)

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CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017					
Sr.No	Particulars	For the year ended March		For the year ended March 2016	
A	CASH FLOW FROM OPERATING ACTIVITIES				
1)	Net Profit Before Tax		6,713,428		-15,378,241
2)	Adjustments for:				
	Depreciation and Amortization Expences	1,826,969		2,043,941	
	loss/(profit) on sale of fixed assets	-		-	
	Finance Costs	6,183,116		10,578,827	
	investment written off	1,000,000			
	profit on sale of investments	(943,020)		(33,972)	
	Dividend Income	(354,164)		(703,954)	
	Interest Income	(7,267,546)		(7,814,886)	
	Short Term capital Loss	757,729		-	
	Prior Period Tax			(360)	
			1,203,083		4,069,596
	Operating profit before working capital changes		7,916,511		-11,308,645
3)	Adjustments for:				
	Decrease/(increase) in trade receivables	(13,249,970)		19,631,210	
	Decrease/(increase) in inventories	(4,385,902)		6,681,937	
	Decrease/(increase) in short term loans & advances	(8,361,969)		90,064,624	
	Decrease/(increase) in other current assets	(1,211,624)		1,381,373	
	Increase/(decrease) in trade payable	20,360,627		(45,624,861)	
	Increase/(decrease) in short term borrowings	(39,942,718)		12,937,602	
	Increase/(decrease) in other liabilities	12,691	-46,778,866	(754,707)	84,317,179
	Cash generated from operation		-38,862,355		73,008,534
4)	Taxes Paid (net)	-	-	-	-
	Net cash from operating activities	A	-38,862,355	A	73,008,534
B	CASH FROM INVESTING ACTIVITIES				
1)	Purchase of fixed assets	(4,643,050)		(121,722)	
2)	Purchase of intangible assets	(11,660)		(124,857)	
3)	Sale/disposal of fixed assets	-		-	
4)	Purchase of current and non current investments	-		(28,690,416)	
5)	Proceeds from sale of current and non current investments	67,40,891		33,972	
6)	Dividend on investments	354,164		703,954	
7)	Interest received	7,267,546		7,814,886	
8)	Proceeds from other non current Assets	-		624,676	
			9,707,891		(19,759,507)
	Net Cash form /(used in) investing activities	B	9,707,891	B	-19,759,507
C	CASH FLOW FROM FINANCING ACTIVITIES				
1)	Interest and finance cost paid	(6,183,116)		(10,578,827)	
2)	Proceeds from borrowing (net)	3,449,108		(240,040)	
3)	Proceeds of issue of share	-		-	
4)	Dividend Paid	-		-	
5)	Tax on distributed Profits	-		-	
6)	Preliminary Expences Paid	-		-	
	Net Cash from/(used in) financing activities	C	(2,734,008)	C	(10,818,867)
	Net increase in cash and cash equivalents	(A+B+C)	(31,888,472)	(A+B+C)	42,430,160
	Cash and cash equivalents as at the beginning of the year	136,609,442		94,179,283	
	add: cash and cash equivalents taken over amaigamation	-		-	
	Cash and cash equivalents as at the closed of the year	104720970	(31,888,472)	136,609,442	42,430,160

In Accordance with our Report attached

For Lalit Kumar Dangi & Co.

Chartered Accountants

Firm Registration No. 112107W

sd/-

(CA Lalit Kumar Dangi)
M NO. 45611

Place: Mumbai

Date: 30/05/2017

For and on behalf of the Board

sd/-

Nipa Prashant Sheth
Whole Time Director

sd/-

Kishore V Shah
Whole Time Director & CFO

sd/-

Leena Kumawat
(Company Secretary & Compliance Officer)

ANNUAL REPORT - 2016-17

ALACRITY SECURITIES LTD

Notes to financial Statements for the year ended 31st March 2017

Notes to financial Statements for the year ended 31st March 2017					
2	Share Capital:				
		As at 31/03/2017		As at 31/03/2016	
		No.	Rs	No.	Rs
	Authorized:				
	Equity shares of Rs. 10/- each	22000000	220000000	22000000	220000000
		22000000	220000000	22000000	220000000
	Issued, subscribed and fully paid up:				
	Equity shares of Rs. 10/- each				
	At the beginning of the reporting period	21,080,000	210,800,000	21080000	210800000
	Issued during the reporting period				
	Addition on Account of split in Share	0	0	0	0
	Bonus shares	0	0	0	0
	Alloted During the year	0	0	0	0
	Bought back during the reporting period		0		0
	At the close of the reporting period	21080000	210800000	21080000	210800000
Other Information:					
	The company has only one class of shares referred to as equity shares having a face value of RS. 10/-. Each holder of equity shares is entitled to one vote per shares.				
III	Details of shares holders holding more than 5% shares	No of Shares	% of Holding	No of Shares	% of Holding
a.	Pooja H Mehta	10336700	49.04	9744700	46.23

3 Reserves and Surplus:					
				In Rs.	
	Particulars	SHARE PREMIUM	Genral reserves	Surplus balance in Statement of Profit & Loss	Total
	At the beginning of the reporting period	30,400,000	5,350,000	6,669,478	42,419,478
	Transferred from/to Profit & Loss Account t	-	-	4806067	4806067
	Allocation towards allotment of bonus shares	-	-	-	-
	Receved During the Year	-	-	-	-
	Proposed Dividends	-	-	-	-
	Provision towards dividend distribution tax	-	-	-	-
	Deferred Tax on adjustment relating to Fixed Asset s	-	-		
	Adjustment relating to Fixed Assets(Refer Sch 10)	-	-		
	At the close of the reporting period	30,400,000	5,350,000	11,475,545	47,225,545
	At the close of the previous reporting period	30,400,000	5,350,000	6,669,478	42,419,478

ALACRITY SECURITIES LTD

Notes to financial Statements for the year ended 31st March 2017			
4	Long term Borrowings		In Rs.
	Particulars	As at 31/03/2017	As at 31/03/2016
1) I)	Secured Loans:		
	a. Term Loans		
	(i) Vehicle Loan		
	- from Banks	4100000	272453
		4100000	272453
	Amount Disclosed under the Head "Other Current Liabilities"	650892	272453
	(Note :8)	3449108	0
	Additional Information:		
	Details of security for secured loans		
	Vehicle loan is secured against hypothecation of Vehicles		
	5Deferred Tax Assets & Liabilities		
	Particulars		
i) I)	Deferred tax liability:		
	a) On account of depreciation on fixed assets	2073838	166477
	Total	2073838	166477

Notes to financial Statements for the year ended 31st March 2017			
6	Short term Borrowings		In Rs.
	Particulars	As at 31/03/2017	As at 31/03/2016
I)	Secured Loans:		
	a) Working Capital Loan		
	Against FDR	50,624,502	70,048,665
	- from banks		
	Against Shares		
	- from banks	-	20,518,555
	Total	50,624,502	90,567,220
	Additional Information:		
i	Loan against FDR is secured by way of lien of FDRs		
iii	Loan against shares is secured against pledge of shares of company, Directors & Clients and personal guarantee of Mr.Himanshu Mehta, Mrs.Beena Mehta, Mr.Hiten Mehta and Ms.Pooja Mehta past & present directors of the company		
iii	Vehicle loan is secured against hypothecation of Vehicles		

ALACRITY SECURITIES LTD

7 Trade Payables		
i) To Micro, Small and Medium Enterprises	-	-
ii) Others (Amt Due to Clients, Margin & Exchange)	27,085,413	6,724,786
	27,085,413	6,724,786
8 Other current liabilities:		
Current maturities of Long-term Borrowings (Refer Note:6)		
a) Vehicle Loan		
- from banks	650,892	272,454
	650,892	272,454
b) Liabilities for Expenses	449,078	906,045
c) Statutory Liabilities & outstanding Exp	187,697	1,220,784
d) Bank Book Overdraft	1,123,856	231,387
e) Mark To Market (F&O Open Position)	-	-
f) Advance Market Maker Fees Received	647,671	415,833
	3,059,194	3,046,503
9 Short term provisions:		
a) Provision for Taxation	13,612,273	13,419,000
	13,612,273	13,419,000

Notes to financial Statements for the year ended 31st March 2017											
10 Fixed Assets:	In Rs										
Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK		
	As on 01/04/2016	Additions for the year	Deductions during the year	As on 31/03/2017	As on 01/04/2016	For the year	Deductions during the year	As on 31/03/2017	As on 31/03/2017	As on 31/03/2016	
Tangible Assets											
Own assets											
Office Premises	6,023,207	-	-	6,023,207	999,766	93,535	-	1,093,301	4,929,906	5,023,441	
Computers	1,671,359	31,650	-	1,703,009	1,468,952	63,551	-	1,532,503	170,506	202,407	
Furniture & Fixtures	1,937,921	-	-	1,937,921	1,581,023	89,035	-	1,670,058	267,863	356,898	
Vehicles	11,650,192	4,555,000	-	16,205,192	8,868,603	689,683	-	9,558,286	6,646,906	2,781,589	
Office Equipment	1,128,698	56,400	-	1,185,098	981,636	63,660	-	1,045,296	139,802	147,062	
Electrical Inst	870,849	-	-	870,849	801,815	16,528	-	818,344	52,505	69,035	
Air Condition	930,106	-	-	930,106	883,601	-	-	883,601	46,505	46,506	
	24,212,332	4,643,050	-	28,855,382	15,585,395	1,015,992	-	16,601,389	12,253,993	8,626,937	
Intangible assets											
Computer Software	1,881,148	11,660	-	1,892,808	1,524,445	186,301	-	1,710,746	182,062	356,703	
	1,881,148	11,660	-	1,892,808	1,524,445	186,301	-	1,710,746	182,062	356,703	
TOTAL	26,093,480	4,654,710	-	30,748,190	17,109,840	1,202,293	-	18,312,134	12,436,056	8,983,640	
Previous Year	25,846,901	246,579	0	26,093,480	15,065,899	2,043,942		10,781,002	8,983,640	10,781,002	

ALACRITY SECURITIES LTD

Notes to financial Statements for the year ended 31st March 2017

11	Non Current Investments:			In Rs
	Details of Investments	Face Value	As at 31/03/2017	As at 31/03/2016
	Investments in Equity Instruments: (quoted)			
	Associates			
	Odyssey Corporation Ltd. (Qty 1635494, PY. 1635494)	5	32,067,835	32,067,835
	Other Non Current Investments (quoted)			
	Aries Agro (Qty 23706)	10	-	2,836,332
	Karuturi Global Ltd (Qty 1550000)		-	3,719,267
	Suzlonenergy (Qty 941128 P.Y. Qty 941128)		22,694,817	22,694,817
	Aqua Logistic Ltd. (Qty 741355, P.Y. 741355)		7,378,726	7,378,724
	Investments in Mutual funds			
	Canara Robeco Gold Saving Fund (Qty NIL , P.Y 30482.5770)		-	-
	Canara Robeco Equity Diversified Growth Fund(Qty NIL, P.Y 3949.1740)		-	-
	Other non current investments (Unquoted)			
	Chincholi Sugar & Bio Ind Ltd. (Qty NIL, P.Y. 25000)	10		1,000,00 0
	Sheetal Co op Credit Soc Ltd. (Qty 100, P.Y. 100)	100	10,000	10,000
	Hari Darshan Co op Housing Soc Ltd (Qty 40, P.Y. 40)	100	2,000	2,000
	Total		62,153,378	69,708,975
	Additional Information:			
	Aggregate value of quoted investments:			
	Cost		62,141,378	68,696,976
	Market Value		22,882,027	23,585,285
	Aggregate value of unquoted investments:			
	Cost		12,000	1,012,000
	12 Long Term Loans & Advances			
	Deposites (With Exchan ge& Others)		8,162,166	8,162,166
			8,162,166	8,162,166
	13 Other non current assets			
	Unamortized Expenses		-	596,678
			-	596,678

ALACRITY SECURITIES LTD

Notes to financial Statements for the half year ended 31st March 2017

			In Rs
	Particulars	As at 31/03/2017	As at 31/03/2016
14	Inventories:		
i)	Stock-in-Trade (Shares)		
	(Valued at lower of cost or Market Value)	80,647,316	76,261,414
		80,647,316	76,261,414
15	Trade receivables:		
	(Unsecured considered good.)		
i)	Trade receivables exceeding six months	12,613,184	6,262,265
ii)	others	9,630,252	2,731,201
		22,243,436	8,993,466
16	Cash and cash equivalents:		
i)	Balances with banks		
	In current Accounts	2,462,216	43,610,063
	In Deposites Accounts		
	- in fixed deposit accounts	101,610,532	91,491,630
	(Pledged/ lien with bank against O/D & Guarantee facility)		
iii)	Cash on hand	648,222	1,507,749
		104,720,970	136,609,442
17	Short term loans and advances:		
	(unsecured, considered good)		
i)	Loans & advances & other receivable	37,256,897	29,836,674
iii)	Advance Income Tax, TDS	16,860,585	15,896,838
iv)	MAT Credit Entitlement	10,490,110	10,296,837
v)	Staff Loan	156,000	178,000
		64,763,591	56,208,349
18	Other Current Assets		
i)	Unamortized expenses	596,677	624,675
ii)	Interest Accrued on deposits	2,206,283	994,659
		2,802,960	1,619,334

ALACRITY SECURITIES LTD

Notes to financial Statements for the year ended 31st March 2017				
	Particulars		As at 31/03/2017	In Rs. As at 31/03/2016
19	Revenue from operations:			
	Sales		306,006,727	436,391,562
	Sale of Services		8,015,603	10,821,147
	Other Operating Revenues		4,757,264	1,436,982
	Profit / Loss in Future & Option		5,955,894	-6,480,088
			324,735,488	442,169,603
20	Other Income:			
	Interest Income		7,267,546	7,919,936
	Dividend Income		354,164	703,954
	- from long term investments			
	Profit on Sale of Investment (Short Term)		-	33,972
	Profit on Sale of Investment (Long Term)		943,020	
	Other non operating income (net of expenses directly attributable to such income, Rent, Other Income, Stamp Duty)		30,000	30,000
	other non operating income (Misc Income)		28,958	8,832
			8,623,689	8,696,694
21	Changes in inventories of finished goods, WIP and stock in trade:			
	<u>Inventories at the beginning of the year</u>		76,261,414	82,943,351
	Shares			
	<u>Inventories at the end of the year</u>		80,647,316	76,261,414
	Shares			
			-4,385,902	6,681,937
22	Employee Benefit Expenses:			
	Salaries and Wages		2,408,874	2,239,819
	Contribution to provident and other funds		138,570	99,909
	Remuneration to whole time directors		946,500	977,500
	Staff welfare & Canteen expenses		81,022	124,432
			3,574,966	3,441,660
23	Finance Costs:			
	Bank Interest & Charges		5,660,609	8,793,229
	Other Borrowing Cost		200,132	1,614,128
	Interest Paid		322,375	171,470
			6,183,116	10,578,827
24	Depreciation and amortization:			
i)	Depreciation		1,202,293	2,043,941
ii)	Amortization of intangible assets		624,676	862,676
			1,826,969	2,906,617

ALACRITY SECURITIES LTD

25	Other Expenses			
	Demat Charges & Stamp Charges		183,136	206,909
	Market Maker Fees Paid		134,677	150,000
	Security Transaction Charges		1,783,169	645,948
	Share Trading Exp on Pro A/c		271,348	129,578
	SEBI turnover charges		63,304	43,022
	Stock Exchange Charges		18,534	10,437
	Sub Brokerage Paid		3,845,022	2,504,559
	Transaction Charges Paid		674,343	459,043
	Listing & Custodian Fees		175,000	175,000
	<u>Payment to the auditors</u>			
	- for Audit fees		100,000	100,000
	- for Tax audit fees		50,000	50,000
	- for other services		100,000	100,000
	Internal Audit Fees		100,000	100,000
	Annual Fee to Exchanges		25,000	25,000
	Annual Maintenance		199,625	228,150
	Penalty & Fines		166,754	118,241
	Connectivity Charges (Lease line & VSAT)		113,824	165,974
	Donations		11,000	11,000
	Electricity Exp		306,790	514,847
	Insurance		107,209	81,360
	Legal and professional charges		469,000	1,079,000
	Motor Car Expenses		77,923	24,856
	Bad Debts		53,040	-
	Repairs & Maintenance		121,282	170,680
	Society Maintance and Municipal taxes		224,044	217,380
	Telephone Expenses		245,879	273,940
	Travelling & Conveyance		289,103	214,045
	Business Development Charges		199,800	2,632,919
	Miscellaneous expenses		438,017	415,025
	Loss on Sale of Investment (Short Term)		757,729	
	Investment wrtten /off		1,000,000	
			12,304,551	10,846,913

ALACRITY SECURITIES LTD

26. Contingent liabilities and Commitment (to the extent not provided for): (Rs. in lacs)

	2016-17	2015-16
i) Bank Guarantee	425.50	276.75

However against the same fixed deposit of Rs.2.13 crore given as margin.

ii) The Co. has not acknowledged the Income Tax demand of Rs.7.92 lacs for the Asst Year 98-99

Since re-verification before CIT (Appeals) as per ITAT Order is still pending. However the whole amount has been adjusted by the department.

iii) Capital Commitments: Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs 426.74 Lacs (Previous Year Rs 426.74 Lacs) against which advances paid Rs 275.00 Lacs (Previous Year Rs 275.00 Lacs)

27. Liabilities in respect of Gratuity and leave encashment are being accounted for on payment basis, which is not in conformity with AS-15 on Employees Benefits as notified by the companies (Accounting Standards) Rules, 2006 which required that Gratuity and Leave Encashment liabilities should be accounted for on accrual basis.

28. Related Party Transactions

i) Related Parties Disclosures

Key Management Personnel (i)	Associates Company (ii)	Relative of Key Management Personnel (iii)
Hiten R Mehta – Whole Time Director (upto 12.11.2016)	Odyssey Corporation Ltd.	Meeta H Mehta
Kishore V Shah – Whole Time Director & CFO	Pooja Equiresearch Pvt Ltd.	Mihir K Shah
Nipa Prashant Sheth - Whole Time Director (w.e.f 12.11.2016)		

ii) Details of the transaction with the related parties

(In Rs.)			
Description	(i) above	(ii) above	(iii) above
Managerial Remuneration & Salary	946500 (977500)	--	-- (--)
Rent Received	--	30000 (30000)	
Sub-Brokerages Paid			1936605 (843225)

ALACRITY SECURITIES LTD

Description	Current Year	Previous Year
Managerial Remuneration & Salary		
Hiten R Mehta	154000	305000
Kishore V Shah	715000	672500
Nipa Prashant Sheth	77500	-
Total	946000	977500
Rent Received		
Pooja Equiresearch Ltd.	30000	30000
Sub-Brokerages Paid		
Meeta Mehta	1930636	822524
Mihir K Shah	5969	20701
Total	1936605	843225

*Transaction of Brokerage involved on share trading not considered in view of numerous transaction and practically difficult to quantify

iii) Balance as on 31st March 2017

(In Rs.)

Description	(i) above	(ii) above	(iii) above
Pooja Equiresearch Pvt Ltd		- -	
Trade Receivables / (-) Payable		-384252	

30. Earning per Share (EPS):	2016-17	2015-16
Net Profit	4806067	-15222135
Face value of Share	10	10
Total No. issued Shares	21080000	21080000
Earnings per Share	0.23	-0.72

31. Disclosures as required under the Micro Small and Medium Enterprise Development Act, 2006.

This Information and that given in Note 7 – Trade Payables regarding Micro and Small Enterprise has been determined to the extent such parties have been identified on the basis of information available with the company.

32. Balances of Loans & Advances, Debtors & Creditors are subject to confirmation & reconciliation.

ALACRITY SECURITIES LTD

33. Sundry Creditors includes margin received on account of future and option segment.

34. Additional information of part II Schedule III of the Companies Act 2013.

a) Directors Remuneration	<u>2016-17</u>	<u>2015-16</u>
Salary	946000	977500

Other information are either Nil or Not Applicable

35. Disclosure on Specified Bank Notes (SBN)

During the year, the company had specified bank notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R.308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016, the denomination -wise SBNs and other notes as per the notification are as follow.

36. Previous year's figures are reclassified where ever found necessary.

For Lalit Kumar Dangi & Co.
Chartered Accountants

sd/-

(CA Lalit Kumar Dangi)
M NO. 45611

Place: Mumbai
Date: 30/05/2017

For and on behalf of the Board

sd/-

Nipa Prashant Shah
Whole Time Director

sd/-

Kishore V Shah
Whole Time Director & CFO

sd/-

Leena Kumawat
(Company Secretary & Compliance Officer)

ALACRITY SECURITIES LIMITED

L999999MH1994PLC083912

Regd Office: 101, Haridarshan Building,B- Wing, Bhogilal Phadia Road, , Kandivali (W), Mumbai – 400067,
Tel- 022 2807 3819/6537,Fax -2807 3967,Website-www.alacritysec.com,Email-alacritysec@gmail.com

Proxy form

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

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID

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

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

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

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

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the Twenty one Annual General Meeting of the company, to be held on Thursday, the 28th day of September at 10 a.m. at B-101, Haridarshan Building,Bhogilal Phadia Road,Kandivali (W),Mumbai,400067 and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting,as are indicated below:

ALACRITY SECURITIES LTD**Resolution No.**

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2017		
2.	Appointment of Mr Hiten R Mehta (DIN: 01875252) as Director who is liable to retire by rotation.		
3.	Appointment of M/s. ABN & CO., Chartered Accountants (FRN. 004447C) as Statutory Auditors & fixing their remuneration.		
4.	To appoint Mrs Nipa Prashant Sheth (DIN: 07420589.) as Executive Director.		

* Applicable for investors holding shares in Electronic form.

Signed this ____ day of ____ 2017

Affix
Revenue
Stamps

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder
across Revenue Stamp

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

ALACRITY SECURITIES LIMITED

L999999MH1994PLC083912

Regd Office: 101, Haridarshan Building,B- Wing, Bhogilal Phadia Road, , Kandivali (W), Mumbai – 400067,
Tel- 022 2807 3819/6537,Fax -2807 3967,Website-www.alacritysec.com,Email-alacritysec@gmail.com

23rd ANNUAL GENERAL MEETING

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

Full name of the members attending _____

(In block capitals)

Ledger Folio No./Client ID No. _____ No. of shares held: _____

Name of Proxy _____

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the ____ Annual General Meeting of the Alacrity Securities Limited. B-101 , Haridarshan ,Bhogilal Phadia Road,Kandivali West ,Mumbai 400067 on Thursday, the 28th September,2017

(Member's /Proxy's Signature)

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

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NOTES

[illegible]

NOTES

[illegible]

BOOK - POST
Printed Matter

Under Postal Certificate

If undelivered please return to:

ALACRITY SECURITIES LIMITED

101, B-Wing, Haridarshan Building,
Bhogilal Phadia Road,
Kandivali (W), Mumbai - 400 067.