

# **ALACRITY SECURITIES LIMITED**

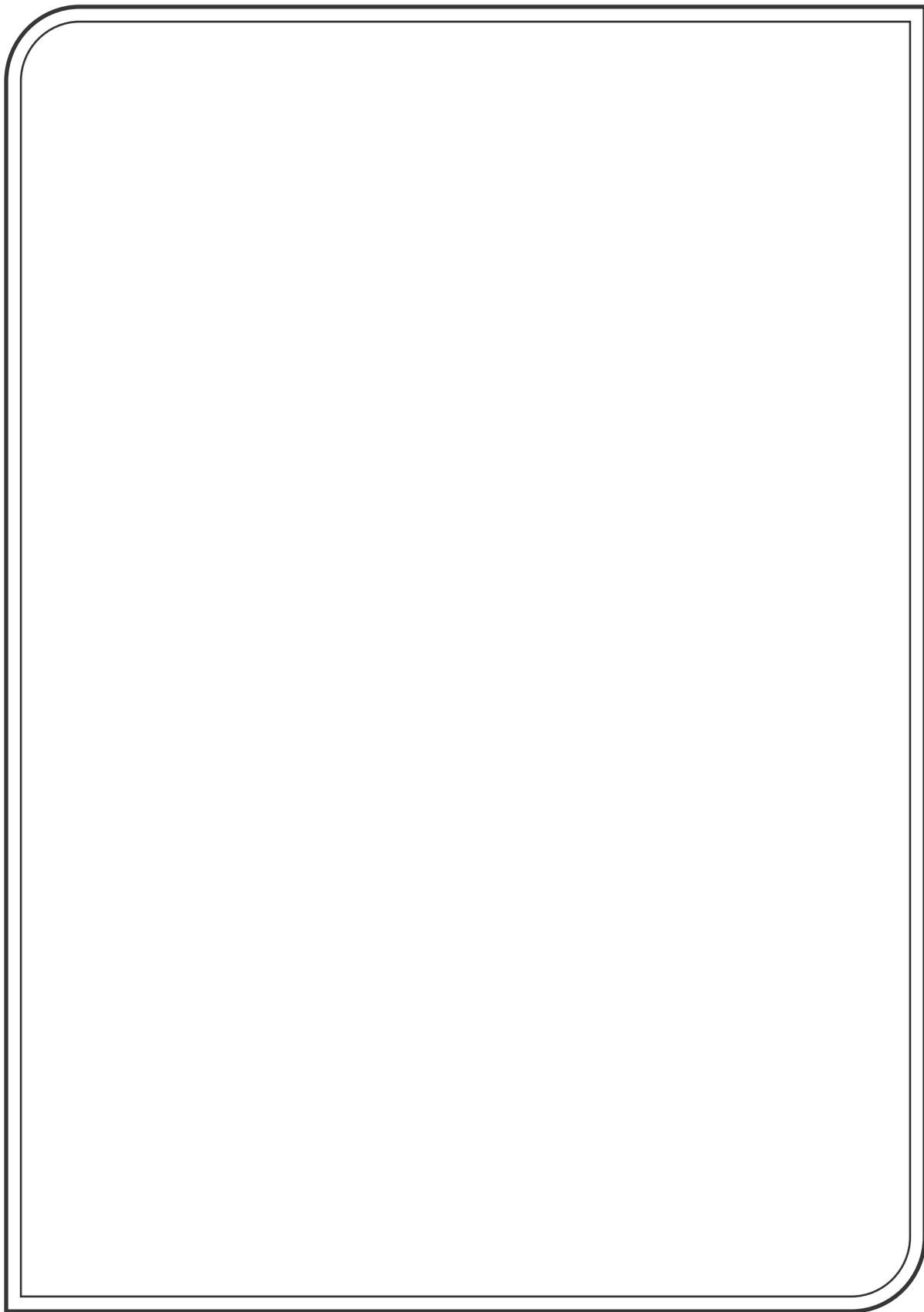
## **ANNUAL REPORT 2014 - 15**

**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  
Ms .Pooja Mehta  
Mr Ankur Mehta

**Company Secretary & Compliance Officer**

Mr. Ganeshprasad Gupta(Resigned w.e.f June 2015).

**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 :info@alacritysec.com**

**AUDITORS**

M/s. **Lalit Kumar Dangi & Co.**  
Chartered Accountants  
77,Mulji Jetha Bldg,3<sup>rd</sup> 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 21<sup>st</sup> Annual General Meeting of the Members of Alacrity Securities Limited will be held on Tuesday the 29<sup>th</sup> day of **September, 2015** 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 31<sup>st</sup> March 2015, 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 Ms Pooja H Mehta, (Din 03498526) 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 ratifies the appointment of M/s.Lalit Kumar Dangi & company Chartered Accountants (Firm Registration No. 112107W), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2015-16. on such remuneration as may be determined by the Board of Directors.”

**SPECIAL BUSINESS**

4. **To Appoint Jai Prakash Jindal (DIN: 00244802.) as an Independent 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 section 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Companies (Appointment and Qualification of Directors) Rules, 2014 and clause 49 of the Listing Agreement, **(DIN: 00244802)**, a non-executive Director of the Company, who has submitted a declaration that he meets the

criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, who retires by rotation at this Annual General Meeting and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office, for five consecutive years for a term up to the conclusion of the 21<sup>st</sup> Annual General Meeting of the Company in the Calendar Year 2020.”

5. **Re-Appointment of Mr. Kishore V Shah(Din :01975061) as a Whole time Director and CFO of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable 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 the members be and is hereby accorded to the re-appointment of Mr. Kishore V Shah (DIN 01975061) as “Executive Director” of the Company with designation styled as Whole Time director & Chief Financial Officer for a period of 5 (five) years with effect from 30<sup>th</sup> March, 2015 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 Mr. Kishore V Shah, 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 Mr. Kishore V Shah 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 of Mr. Kishore V Shah within the limit stipulated in the Companies Act, 2013

6. To adopt new Articles of Association of the Company containing regulations in

## ALACRITY SECURITIES LTD

conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion (except particulars of subscribers to the articles of association), of the regulations contained in the existing Article of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

### Registered Office :

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

PLACE : Mumbai  
DATE : 14th August, 2015

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 **24<sup>th</sup> September, 2015 to 29<sup>th</sup> September, 2015** (both Days inclusive).
3. A statement giving the relevant details of the Directors seeking re-appointment under Item Nos. 2 and 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

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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 under clause 49 of the Listing Agreement 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 21<sup>st</sup> Annual General Meeting and the Annual Report for 2015 will also be available on the website [www.alacritysec.com](http://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 and 5 of the accompanying Notice dated August 14<sup>th</sup>, 2015.

#### **ITEM NO. 4**

The Board, at its meeting held on December, 2011 appointed Mr. Jai Prakash Jindal as an Additional Director of the Company with effect from December, 2011, pursuant to Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013, Mr. Jai Prakash Jindal will be hold office up to the date of ensuing Annual General Meeting of the Company. The Company has received valid

## **ALACRITY SECURITIES LTD**

Notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member along with requisite deposit proposing the candidature of Mr. Jai Prakash Jindal for the office of Independent Director; to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. Mr. Jai Prakash Jindal is having rich experience in the field of finance. In view of the background and valuable experience of Mr. Jai Prakash Jindal, it will be in the interest of the Company that he continues as an Independent Director of the Company. The resolution seeks the approval of members for the appointment of Mr. Jai Prakash Jindal as an Independent Director of the Company up to 31st March 2020 commencing from 1<sup>st</sup> April 2015 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made there under. He is not liable to retire by rotation. Brief resume of Mr. Jai Prakash ,nature of his expertise in specific functional areas, shareholding and relationships between directors inter-se as stipulated under Clause 52 of the Listing Agreement with the Stock Exchange is provided elsewhere in this notice of the ensuing Annual General meeting. In the opinion of the Board of Directors, Mr. Jai Prakash Jindal, the independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the rules made there under and he is independent of the management. Copy of the draft letter for appointment of Mr. Jai Prakash Jindal as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company during normal business hours on working days up to the date of AGM.

This Statement may also be regarded as a disclosure under Clause 52 of the Listing Agreement with the Stock Exchange. No director, key managerial personnel or their relatives, except Mr. Jai Prakash Jindal, 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.

### **ITEM NO. 5**

Meeting held on 30th March, 2015, re-appointed Mr. Kishore V Shah as a Whole time Director and Chief Financial Officer of the Company for the period commencing from 31<sup>st</sup> March, 2015, subject to the approval of the Shareholders at the ensuing Annual General Meeting of the Company. The remuneration, as recommended by the Nomination & Remuneration Committee was also approved by the Board at its Meeting held on 30th March , 2015. Mr. Kishore V shah was working with Company since 2000, he was appointed as Whole time Director of the Company in the year 2009 . He is a commerce graduate and well associated with the day to day affairs of the Company . Mr. Kishore has over 30 years of experience in finance and accounts.

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The Board commends passing of the resolution for the Director and CFO.

### **ITEM NO. 6**

The existing Articles of Association (AoA) of the Company are based on the Companies act, 1956, and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013. With the coming into force of the Act, several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to substitute the existing AoA by a new set of Articles. The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares. The draft new Articles of Association will be available for inspection by the members at the Registered Office of the Company on all working days except Saturdays, Sundays and public holidays upto the date of Annual General Meeting.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 6 of the Notice.

The Board of Directors commends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

### **Registered Office :**

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

PLACE : Mumbai

DATE : 14th August, 2015

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 21<sup>st</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

**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.

**FINANCIAL RESULTS**

PARTICULARS	Year ended March 31, 2015	Year Ended March, 31, 2014
Gross Income	<b>41,58,01,806</b>	<b>22754203</b>
Profit/Loss Before Depreciation	<b>(1,55,34,594)</b>	<b>60,281,29</b>
Less : Depreciation	<b>33,01,033</b>	<b>17,431,50</b>
Profit/Loss before Tax	<b>(1,22,33,561)</b>	<b>42,849,79</b>
Less:		
Provision for Tax	<b>NIL</b>	<b>900000</b>
Provision for Deferred Tax	<b>(5,93,289)</b>	<b>495617</b>
Prior Period Tax	<b>(93084)</b>	
MAT Credit Entitlement(Availed)	<b>6,86,373</b>	<b>-</b>
		<b>84208</b>
Net Profit/Loss After Tax	<b>(1,15,47,188)</b>	<b>28,051,54</b>
Balance of Profit brought forward	<b>3,36,51,524</b>	<b>3,08,46,370</b>
Balance available for appropriation	<b>-</b>	<b>3,36,51,524</b>
Proposed Dividend on Equity Shares	<b>-</b>	<b>-</b>
Tax on proposed Dividend	<b>-</b>	<b>-</b>
Transfer to General Reserve	<b>-</b>	<b>-</b>
Surplus carried to Balance Sheet	<b>2,21,04,336</b>	<b>3,36,51,524</b>

**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 2015, the gross operational income of the Company stood at Rs. 404665048 as compared to previous fiscal of `Rs. 13696429.

**Standalone Profits / (Loss) :**

Loss stood at Rs -1,22,33,561 before tax and loss after tax stood at -1,15,47,188 for the fiscal 2015 as compared to the previous year profit before tax ` Rs 42,84,979 and after tax Rs 28,05,154.

**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 and Reserves is Rs. 53,50,000.

**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**

Ms. Pooja H Mehta, Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

Mr Kishore V Shah has been Re designated as Whole Time Director and Chief Financial Officer with effect from 30<sup>th</sup> March 2015.

Mr. Ganeshprasad Gupta Company Secretary and Compliance officer has resigned with effect from June 2015, respectively

**8. Meetings**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year six 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 Clause 52 of the Listing Agreement 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 Clause 49 of Listing Agreement.

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. Lalit Kumar Dangi & Co., Chartered Accountants, FR No.112107W hold office until the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment as Auditors of the Company.

The Company has received letter from M/s. Lalit Kumar Dangi & 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. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

**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.

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report. Certain observations made in the report which were mainly due to ambiguity and uncertainty of the applicability of the new law for the relevant period. However, the company would ensure in future that all the provisions are complied to the fullest extent.

**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.

<b>Particulars</b>	<b>Not Applicable</b>
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	
Total number of options in force	

Notes: -

1. Details of options granted during the Financial Year 2014-15 to:

<b>Particulars</b>	<b>NOT APPLICABLE</b>
(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](http://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 & Clause 49 of the Listing Agreement, 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**

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,-

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 deposit 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. 6 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 Clause 49 of the Listing Agreement during the financial year ended March 31,2015 are given below. Suitable disclosures as required under AS 18 have been made in the Financial Statement.

Interest Free Loan to two body corporate

Sub Brokerage: Mrs Meeta H Mehta –INR 5,50,058 & Mr. Mihir K Shah – INR 27502

Remuneration of Key Managerial Personnel: Mr. Kishore V Shah –INR 6, 48,000.00 and Hiten R Mehta –INR 1,80,000.00

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 Clause 52 of the Listing Agreement 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—

- (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, 2015

**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

Place: Mumbai  
Date: 14/08/2015

Whole Time Director  
sd/-  
Hiten R Mehta

Whole Time Director and CFO  
sd/-  
Kishore V Shah

**Annexure I****FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2014****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 : <a href="mailto:alacritysec@gmail.com">alacritysec@gmail.com</a> Website: <a href="http://www.alacritysec.com">www.alacritysec.com</a>
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	100
2			
3			

**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)**

## ALACRITY SECURITIES LTD

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Stock Broking	6712	100
2			
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-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	9903700	0	9903700	46.98	9903700	0	9903700	46.98	0
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
<b>Total shareholding of Promoter (A)</b>	0	0	9903700	46.98	9903700	0	9903700	46.98	0
<b>B. Public Shareholding</b>									
1. Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

## ALACRITY SECURITIES LTD

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) FIs	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
<b>Sub total (B)(1):</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>2. Non Institutions</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	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. 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	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	8859	0	8859	0.0420	16000	0	16000	0.0759	0
Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Bodies - DR	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub total (B)(2):</b>	10190000	986300	11176300	53.0185	10190000	986300	11176300	53.0185	0

## ALACRITY SECURITIES LTD

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
Grand Total (A+B+C)	2002770	0	21080000	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	POOJA HEMANSHU MEHTA	9744700	46.2272	0	9744700	46.2272	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	NIL					
2	HEMANSHU RAMNIKLAL MEHTA						

### 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 01/04/2014		Cumulative Shareholding during the Year 1/04/2014 - 31/03/2015		Shareholding at the end of the financial year 31/03/2015	
		No. of shares	% of total	No. of shares	% of total	No. of shares	% of total

## ALACRITY SECURITIES LTD

			shares of the company		shares of the company		shares of the company
1	<b>Rakhi S Bohra</b>	500000	2.3719	NIL	NIL	500000	2.3719
2	<b>Anish Dilip Shah</b>	500000	2.3719	NIL	NIL	500000	2.3719
3	Manish Dilip Shah	500000	2.3719	NIL	NIL	500000	2.3719
4	<b>Jigar Prataprai Vohra</b>	500000	2.3719	NIL	NIL	500000	2.3719
5	Sheetal Jigar Vohra	500000	2.3719	NIL	NIL	500000	2.3719
6	<b>Monica Ramesh Shah</b>	500000	2.3719	NIL	NIL	500000	2.3719
7	<b>Moin Akhtar Qureshi</b>	312000	1.4801	NIL	NIL	312000	1.4801
8	<b>Nasreen Moin Quresi</b>	280000	1.3283	NIL	NIL	280000	1.3283
9	<b>Vipul Ajitkumar Dave</b>	250000	1.1860	NIL	NIL	250000	1.1860
10	<b>Choice Equity Broking Private Limited</b>	160000	0.7590			-	-
11	<b>Naysaa Securities Limited</b>	-	-			240000	1.1385

### 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 1/04/2014		Date Wise/Increase/Decrease/in Shareholding .		Cumulative Shareholding during the year/at the end of the year 31/03/2015	
		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	<b>Jai Prakash Jindal Independent Director</b>	NIL	NIL	NIL movement during the year		NIL	NIL
2	<b>Ankur Mehta Independent Director</b>	NIL	NIL	NIL		NIL	NIL
3	Pooja H Mehta Non Executive and Non Independent	9744700	46.2272	Nil Movement during the year		9744700	46.2272
4	Hiten R Mehta Whole Time Director a& CFO	NIL	NIL	NIL Movement during the year		NIL	NIL
5	Kishore V Shah	NIL	NIL	NIL Movement during the year		NIL	NIL

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	2,33,10,260	NIL	NIL	2,33,10,260
<b>i) Principal Amount</b>	NIL	NIL	NIL	NIL
<b>ii) Interest due but not paid</b>	NIL	NIL	NIL	NIL

## ALACRITY SECURITIES LTD

iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	2,33,10,260	NIL	NIL	2,33,10,260
<b>Change in Indebtedness during the financial year</b>	5,44,58,775	NIL	NIL	5,44,58,775
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	5,44,58,775	NIL	NIL	5,44,58,775
<b>Indebtedness at the end of the financial year</b>	7,7869035	NIL	NIL	7,7869035
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	7,7869035		NIL	7,7869035

### 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		
1	Gross salary	180000	648000		8,28,000
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	-			
	(b) Value of perquisites u/s 17(2) 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)	-	50000		8,28,000
	<b>Total (A)</b>				
	<b>Ceiling as per the Act</b>				

#### B. Remuneration to other directors

SN.	Particulars of Remuneration				Total Amount
		Pooja H Mehta	Ankur Mehta	Jai Prakash Jindal	
1	Independent Directors		NIL	NIL	NIL
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	<b>Total (1)</b>				

## ALACRITY SECURITIES LTD

2	<b>Other Non Executive Directors</b>				
	Fee for attending board committee meetings	300000			300000
	Commission				
	Others, please specify				
	<b>Total (2)</b>				
	<b>Total (B)=(1+2)</b>				
	<b>Total Managerial Remuneration</b>				
	<b>Overall Ceiling as per the Act</b>				

Due to inadequate profit of the Company, the Board of Director decided not to pay sitting fees and commission to the Directors for attending meetings for the financial year 2014-15.

### 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	3,59000	3,59000
	(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	359000	359000
	<b>Total</b>		

### XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

**Annexure-II**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 2015

[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, 2015

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 31<sup>st</sup> March, 2015 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 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

## ALACRITY SECURITIES LTD

- (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.(Not applicable to the Company during the Audit period)
- (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. mentioned above subject to filling of forms with additional fees and the following observations:

*The Company has granted interest free unsecured loan to two bodies corporate, where Director is interested, covered in the register maintained under section 189 of the Companies Act, 2013. The terms and conditions of the loan granted are in our view prima-facie not prejudicial to the interest of the Company. The repayment of loan is on demand.*

## ALACRITY SECURITIES LTD

*The Company has not filed Form DIR-12 with the Registrar of Company as required under the provisions of Section 161 under the Companies Act, 2013, in respect of the regularisation of Additional Director.*

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 2014-15.

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.

I further report that during the audit period the company has passed special resolution under section 188(1)(f) of the Companies Act, 2013 in its previous AGM held on 27<sup>th</sup> September, 2014.

Nishu Jain & Associates  
Company Secretaries

Nishu Jain  
ACS: 26591, C P No.:14802

Place: Mumbai

Date: August 10th, 2015

\*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

**ANNUAL REPORT - 2015**

**'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.

For, Nishu Jain & Associates  
Nishu Jain  
Practicing Company Secretary  
M. NO.: 26591, CP: 14802

Date: August 10<sup>th</sup>, 2015  
Place: Mumbai

**REPORT ON CORPORATE GOVERNANCE****COMPANY'S PHILOSOPHY:**

Your Company has implemented the Guidelines of Corporate Governance in terms of Clause 52 of the SME listing Agreement 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.

**Clause 52**

Clause 52 of the Listing Agreement 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. Clause 52 is the baseline for good governance standards. At Alacrity, we not only adhere to the prescribed corporate governance standards and practices as given in Clause 52 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

## **ALACRITY SECURITIES LTD**

M/s. Lalit Kumar Dangi & Co., Chartered Accountants, FR No.112107W audit firms as the Auditor of the Company. 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. OCL ensures that complaints and suggestions of its shareholders are responded to in a timely manner. A comprehensive and informative shareholders' referencer is appended to this Annual Report.

### **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 2015, 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	-	Executive Director
Ms. Pooja Mehta	-	Non Executive Director and Non Independent Director
Mr. Ankur Mehta	-	Non Executive & Independent Director

\* Mr.Kishore V Shah has redesignated as Whole Time Director and Chief Financial Officer of the Company w.e.f 30<sup>th</sup> March 2015,rest of the conditions of the appointment are same.

**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.alacritysec.com](http://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 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](http://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

## **ALACRITY SECURITIES LTD**

- 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 2014-15, the Board of the Company met Seven times on ,30<sup>th</sup> May,2014, 14th August 2014, 3rd September 2014, 14th November 2014, 15<sup>th</sup> January 2015,14th February 2015 , and 30<sup>th</sup> March 2015.

**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				
<b>Mr. Ankur Mehta</b>	Non Executive Independent	7	7	Yes	---	---	---
<b>Mr. Hiten Mehta</b>	Executive Director	7	6	Yes	5		
<b>Mr. Kishore V Shah</b>	Executive Director	7	6	Yes	--	---	---
<b>Jai Prakash Jindal</b>	Non-Executive Independent	7	7	Yes	3		
<b>Pooja H**Mehta</b>	Non Executive and Promoter	7	3	No	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 2014-15, for attending meetings.

The remuneration paid to Mr. Kishore Shah , whole time Director is Rs 6,48,000 ,Mr. Hiten Mehta Rs.1,80,000/-,Pooja Mehta Rs 300000 /- for the Financial year 2014-2015.

**II. BOARD COMMITTEES:**

**The board has constituted the following committees of Directors:**

**a. Audit Committee**

**b. Remuneration Committee**

**c. Shareholder's Grievance Committee**

## ALACRITY SECURITIES LTD

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 Clause 52 of the SME Listing Agreement 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 Clause 52 of the Listing Agreement, 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 04<sup>th</sup> January, 2013. During the financial year, **one** meeting of Committee was held on **30<sup>th</sup> June 2014** 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. Pooja Mehta	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 04<sup>th</sup> January, 2013. The committee currently comprises of three (3) Directors. Mr. Ankur Mehta is the Chairman of the Shareholders/ Investors Grievance committee.

**ALACRITY SECURITIES LTD**

Sr. No.	Name of the Director	Status	Nature of Directorship	No. Of Meetings	
				Held	Attended
1.	Mr. Pooja Mehta	Chairman	Non Executive Director	4	4
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  
Pooja H Mehta - Member  
Kishore V Shah - Member

The committee met 2 times during the financial year ended March 31, 2015. The attendance record of the members at the meeting were as follows

Name of the Member	Designation	Attendance
Ankur Mehta	Chairman	2
Pooja H Mehta	Member	2
Kishore V Shah	Member	2

Pursuant to the provisions of the Companies Act, 2013 and Clause 52 of the Listing Agreement, 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
Pooja H Mehta	Member	2
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 Clause 52 of the Listing Agreement. 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 Clause 52 of the Listing Agreement

**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.

## ALACRITY SECURITIES LTD

- All disclosures relating to financial and commercial transactions where Directors 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 Clause 52 the listing Agreement, the Chief Executive Officer have furnished a certificate for the financial year ended 31<sup>st</sup> March 2015 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**

Stock Exchange had issued a Show cause Notice in connection with the non submission of the Annual Report with Stock Exchanges.. The Company has submitted the same

#### **V. A) GENERAL BODY MEETINGS:**

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

<b>Financial Year</b>	<b>Date</b>	<b>Time</b>	<b>Venue</b>
2011 / 2012	25th Sept., 2012	10.00 A.M.	B/102, Haridarshan, Bhogilal Phadia Road, Kandivli (West), Mumbai - 400 067.
2012 / 2013	30th Sept., 2013	10.00 A.M.	B/102, Haridarshan, Bhogilal Phadia Road, Kandivli (West), Mumbai - 400 067.
2013 / 2014	27th Sept., 2014	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](http://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 corporates. 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: investor@alacritysec.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:** 29<sup>th</sup> September, 2015

**Day :** Tuesday

**Time:** 10.00 AM

**Venue:** B-102, Haridarshan, Bhogilal Phadia Road, Kandivli [West] Mumbai 400 067.

**b) Financial Calendar:**

1<sup>st</sup> April to 31<sup>st</sup> March.

**Potential Time of Half-yearly Results:**

First Half-year : Second week of November 2015

Second Half-year : Last week of May 2016

**d) Book Closure:**

The books will be closed from 24.09.2015 to 29.09.2015 (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 2015-16.

**Payment of Depository Fees**

Annual Custody / Issuer fee for the year 2015 - 16 will be paid by the Company to NSDL and CDSL on receipt of the invoices.

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 2014-15

***High and Low Prices at the BSE***

<b>Month</b>	<b>High (Rs.)</b>	<b>Low (Rs.)</b>
April 2014	7.60	6.10
May 2014	6.95	6.60
June 2014	8.25	7.25
July 2014	7.45	6.65
August 2014	7.15	6.40
September 2014	6.50	6.20
October 2014	8.34	6.80
November 2014	7.10	6.65
December 2014	6.40	5.20
January 2015	5.55	4.75
February 2015	5.40	5.20
March 2015	5.75	5.20

**h) Shareholding Pattern:****Share Holding Pattern as on 31 March 2015 given below:**

<b>Category</b>	<b>No. of shares held</b>	<b>Shareholding %</b>
Promoters	9903700	46.9815
Clearing Members	16000	.0759
Private Bodies Corporate	376000	1.7837
Resident Individuals	10784300	51.1589
<b>Total</b>	<b>21080000</b>	<b>100.00</b>

**i) Distribution of shareholding as on 31<sup>st</sup> March 2015:**

<b>Range (in Rs)</b>	<b>Number of shareholders</b>	<b>Shares amount (in Rs)</b>	<b>Shareholding %</b>
Up to 5000	2	6000	0.0028
50,001 to 1,00,000	199	16591410	7.5712
1,00,001 and above	142	194194000	92.4260
<b>Total</b>	<b>343</b>	<b>210800000</b>	<b>100.00</b>

**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.

## ALACRITY SECURITIES LTD

### k) Dematerialization of Shares as on 31<sup>st</sup> March, 2015: 95.32115%

Category	31/03/2015
Shares in Demat mode with NSDL	6179000
Shares in Demat mode with CDSL	13914700
Shares in Physical mode	986300
<b>Total</b>	<b>21080000</b>

### 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 Clause 52 of the Listing Agreement, is attached to this Report.

### ADOPTION OF MANDATORY AND NONMANDATORY REQUIREMENTS OF CLAUSE 52

The Company has complied with all requirements of Clause 52 of the Listing Agreement. The Company has adopted following non-mandatory requirements of Clause 49 of the Listing Agreement:

### REPORTING OF INTERNAL AUDITOR

The Internal Auditor directly reports to the Audit committee

**Declaration regarding Compliance of code of Conduct should be inserted which has to be signed by the Chief Executive Officer/Whole Time Director and CFO**

**DECLARATION**

Annual Declaration by Chief Executive Officer (CEO)/whole Time Director and CFO pursuant to Clause 52 (i) (d) (ii) of the SME Listing Agreement.

I, Kishore V Shah whole Time Director and Chief Financial Officer of ALACRITY SECURITIES LIMITED provided under Clause 52 (i)(d)(ii) of the Listing Agreement. 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 2015.

FOR Alacrity Securities Limited

Date 14 August, 2015  
Place: Mumbai

Whole Time Director & CFO  
Sd/-  
Kishore V Shah

Whole Time Director  
Sd/-  
Hiten R Mehta

**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 as stipulated in Clause 52 of the Listing Agreement entered into, by the Company, with the Stock Exchanges of India, for the financial year ended on 31<sup>st</sup> March 2015.

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 Clause 52 of the said listing agreement.

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 : 14<sup>th</sup> August, 2015  
Place : Mumbai

**CHIEF EXECUTIVE OFFICER /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 31<sup>st</sup> March 2015 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.

Place: Mumbai

Date: 14<sup>th</sup> August, 2015

Whole Time Director & CFO  
Sd/-  
Kishore V Shah

Whole Time Director  
Sd/-  
Hiten R Mehta

**DETAILS OF DIRECTORS**

DETAILS OF DIRECTORS

**Ms. Pooja Mehta:** Ms. Pooja Mehta, aged 23 years, is the Promoter and Director of our Company. She has done Bachelor of Business Management from University of Exeter, London. She has been on the Board of Directors of our Company since 26<sup>th</sup> December, 2011.

**Mr. Hiten Mehta,** aged 47 years, is a 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 61 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 61 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.

**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 15 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.

**FINANCIAL HIGHLIGHTS:**

- 1) Paid up Share Capital of the Company as on 31<sup>st</sup> March 2015, stands at 21, 08, 00,000 divided into 21, 08, 00,00 number of equity Shares of Rs10/- each fully –paid up.
- 2) The reserves and surplus as on 31<sup>st</sup> March 2015 is Rs. 5,76,41,614/-
- 3) Income from operation stood at Rs. 40,46,65,048/- for fiscal 2015
- 4) Profit/Loss before Taxes of fiscal 2015 was Rs. **(1,22,33,561)**
- 5) Basic Earnings per Share for fiscal 2015 was Rs -0.55
- 6) Net Worth of the company stood at Rs.10,20,87,581/- as on March 2015

## **ALACRITY SECURITIES LTD**

### **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.

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

Whole Time Director

Sd/-

Hiten R Mehta

**ANNUAL REPORT - 2015**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ALACRITY SECURITIES LIMITED**

**Report on the Financial Statements**

We have standalone audited the accompanying financial statements of Alacrity Securities Ltd. ("the Company"), which comprise the standalone Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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 Standalone 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 there under.

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 auditor's 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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<sup>st</sup> March, 2015, and its loss 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, 2015("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 statement on the matters specified in the paragraph 3 and 4 of the order , to extent applicable
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
  - (c) The accounts of the branch offices of the Company have been audited by us under Section 143 (8) of the Act and have been properly dealt with by us in preparing this report.

## **ALACRITY SECURITIES LTD**

- (d) 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 and with the accounts of the branches
- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mumbai  
Date: May 30, 2015

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

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

## **Annexure to Independent 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, 2015**

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;
- ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.  
  
(b) In our opinion, the procedures of physically verification of inventory 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 granted **interest free unsecured loan** to two bodies corporate covered in the register maintained under section 189 of the companies Act 2013. The terms and condition of the loan granted, not prima facie prejudicial to the interest of the company subject to the loan are interest free. The repayment of loan is on demand, there is no overdue amount remain outstanding.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services and

## ALACRITY SECURITIES LTD

goods. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has been noticed or reported.

- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013
- vi. 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
- vii. (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.
- viii. (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 does not have any accumulated losses at the end of the financial year. The company has incurred cash losses during the year but not immediately preceding financial year.
- x. According to the records of the company examined by us and as per the information and explanations given to us, the company did not have any outstanding dues to financial institution or banks and has not issued debentures

**ALACRITY SECURITIES LTD**

- xi. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institution during the year
- xii. In our opinion, and according to the information and explanations given to us, the company has not raised any term loans during the year
- xiii. During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management

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

Place: Mumbai  
Date: May 30, 2015

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

**Notes to Financial Statements for the year ended 31<sup>ST</sup> March 2015****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. 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.

**2. 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.

**3. 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.

**4 Inventory**

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

**5. Revenue Recognition:**

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

**6. 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.

**7. Employees Benefit**

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

**Leave Encashment**

Leave Encashment is being accounted on payment basis.

**8 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision is recognised 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 recognised nor disclosed in the financial statements.

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

	2014-15	2013-14
i) Bank Guarantee	531.75	431.75
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.		

**27.** Gratuity and leave encashment being accounted on payment basis, Since there was less than no. of employees as required by AS-15 during the year particulars except above required as per AS-15 are not applicable to the company.

**28. Related Party Transactions**

i) Related Parties Disclosures

<b>Key Management Personnel (i)</b>	<b>Associates Company (ii)</b>	<b>Relative of Key Management Personnel (iii)</b>
Hiten R Mehta – Whole Time Director	Odyssey Corporation Ltd.	Meeta H Mehta
Kishore V Shah – Whole Time Director & CFO	Pooja Equiresearch Pvt Ltd.	Mihir K Shah
Pooja H Mehta – Director		

ii ) Details of the transaction with the related parties

(In Rs.)

<b>Description</b>	<b>(i) above</b>	<b>(ii) above</b>	<b>(iii) above</b>
Managerial Remuneration & Salary	1128000 (1004500)	--	-- (--)
Rent Received	--	30000 (30000)	
Sub-Brokerages Paid		577560	(1045212)
Interest Paid		-- (145224)	
Loan Received	--	-- (14517347)	
Loan Repaid	--	-- (21569786)	
Loan Given		263823450 (51959909)	
Loan Recovered		213115000 (32890000)	

## ALACRITY SECURITIES LTD

Description	Current Year	Previous Year
<b>Managerial Remuneration &amp; Salary</b>		
Hiten R Mehta	180000	180000
Kishore V Shah	648000	474500
Pooja H Mehta	300000	250000
Bina Mehta	Nil	100000
<b>Total</b>	<b>1128000</b>	<b>1004500</b>
<b>Rent Received</b>		
Pooja Equiresearch Ltd.	30000	30000
<b>Sub-Brokerages Paid</b>		
Meeta Mehta	550058	1015396
Mihir K Shah	27502	29816
<b>Total</b>	<b>577560</b>	<b>1045212</b>
<b>Interest Paid</b>		
Odyssey Corporation Ltd.	Nil	145224
<b>Loan Received</b>		
Odyssey Corporation Ltd	Nil	14517347
<b>Loan Repaid</b>		
Odyssey Corporation Ltd	Nil	21569786
<b>Loan Given</b>		
Odyssey Corporation Ltd	254250500	49457859
Pooja Equiresearch Pvt Ltd	9572950	2502050
<b>Total</b>	<b>263823450</b>	<b>51959909</b>
<b>Loan Recovered</b>		
Odyssey Corporation Ltd	201040000	32890000
Pooja Equiresearch Pvt Ltd	12075000	Nil
<b>Total</b>	<b>213115000</b>	<b>32890000</b>

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

iii) Balance as on 31<sup>st</sup> March 2015

(In Rs.)

Description	(i) above	(ii) above	(iii) above
Loan Receivable	Nil		Nil
Odyssey Corporation Ltd		69778359 (16567859)	
Pooja Equiresearch Pvt Ltd		Nil (2502050)	
Trade Receivables			
Pooja Equiresearch Pvt Ltd		22282053 (32017545)	

**ALACRITY SECURITIES LTD**

<b>29. Earning per Share (EPS):</b>	<b>2014-15</b>	<b>2013-14</b>
Net Profit	-11547188	2805154
Face value of Share	10	10
Total No. issued Shares	21080000	21080000
Earnings per Share	-0.55	0.13

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

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

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

<b>a) Directors Remuneration</b>	<b><u>2014-15</u></b>	<b><u>2013-14</u></b>
Salary	1128000	1004500

Other information are either Nil or Not Applicable

33. 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.

34. 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: 30/05/2015**

**For and on behalf of the Board**

sd/-  
**Hiten R Mehta**  
Whole Time Director

sd/-  
**Ganesh Gupta**  
(Company Secretary & Compliance Officer)

sd/-  
**Kishore V Shah**  
Whole Time Director & CFO

# ALACRITY SECURITIES LTD

ALACRITY SECURITIES LTD						
BALANCE SHEET AS AT 31 March 2015						
	Particulars	Note No.	As at 31/03/2015		As at 31/03/2014	
			Rs.	Rs.	Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>						
<b>Shareholders' Funds</b>						
(a)	Share Capital	2	210,800,000		210,800,000	
(b)	Reserves and Surplus	3	57,641,614	268,441,614	69,401,524	280,201,524
<b>Non - current liabilities</b>						
(a)	Long term borrowings	4	239,417		792,058	
(b)	Deferred tax liabilities (Net)	5	322,942	562,359	1,011,356	1,803,414
<b>Current Liabilities</b>						
(a)	Short Term Borrowings	6	77,629,618		22,518,202	
(b)	Trade Payables	7	52,349,647		33,157,396	
(c)	Other Current Liabilities	8	3,834,246		6,638,177	
(d)	Short Term Provisions	9	13,419,000	147,232,511	13,512,084	75,825,859
<b>TOTAL</b>				416,236,483		357,830,796
<b>II. ASSETS</b>						
<b>Non - current assets</b>						
(a)	Fixed Assets					
	(i) Tangible assets	10	10,369,911		13,979,576	
	(ii) Intangible assets		411,091		276,557	
			10,781,002		14,256,133	
(b)	Non - current investments	11	41,018,559		36,678,919	
(c)	Long Term Loans & Advances	12	8,194,579		8,887,279	
(d)	Other Non Current Assets	13	1,221,354	61,215,493	2,084,030	61,906,361
<b>Current Assets</b>						
(a)	Inventories	14	82,943,351		9,087,482	
(b)	Trade receivables	15	28,624,676		78,711,203	
(c)	Cash and cash equivalents	16	94,179,283		90,500,532	
(d)	Short term loans and advances	17	146,272,973		114,127,617	
(e)	Other Current Assets	18	3,000,707	355,020,990	3,497,601	295,924,435
<b>TOTAL</b>				416,236,483		357,830,796

For Lalit Kumar Dangi & Co.  
Chartered Accountants

sd/-  
(CA Lalit Kumar Dangi)  
M NO. 45611

Place: Mumbai  
Date: 30/05/2015

For and on behalf of the Board

sd/-  
Hiten R Mehta  
Whole Time Director

sd/-  
Kishore V Shah  
Whole Time Director & CFO

sd/-  
Ganesh Gupta  
(Company Secretary & Compliance Officer)

**ANNUAL REPORT - 2015**



## ALACRITY SECURITIES LTD

### Notes to financial Statements for the year ended 31st March 2015

Notes to financial Statements for the year ended 31st March 2015					
<b>2</b>	<b>Share Capital:</b>	<b>As at 31/03/2015</b>		<b>As at 31/03/2014</b>	
		No.	Rs	No.	Rs
	<b>Authorized:</b>				
	Equity shares of Rs. 10/- each (P.Y. Rs. 100/- each)	22000000	220000000	22000000	220000000
		22000000	220000000	22000000	220000000
	<b>Issued, subscribed and fully paid up:</b>				
	<i>Equity shares of Rs. 10/- each (P.Y. Rs. 100/- each)</i>				
	At the beginning of the reporting period	21,080,000	210,800,000	15000000	150000000
	<b>Issued during the reporting period</b>				
	Addition on Account of split in Share from Rs.100 to 10/-	0	0	0	0
	Bonus shares	0	0	0	0
	Alloted During the year	0	0	6080000	60800000
	Bought back during the reporting period		0		0
	At the close of the reporting period	<b>21080000</b>	<b>210800000</b>	21080000	210800000
	<b>Other Information:</b>				
	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	9744700	46.23	9744700	46.23
	<b>3 Reserves and Surplus:</b>				In Rs.
	<b>Particulars</b>	<b>SHARE PREMIUM</b>	<b>Genral reserves</b>	<b>Surplus balance in Statement of Profit &amp; Loss</b>	<b>Total</b>
	At the beginning of the reporting period	30,400,000.00	5,350,000	33,651,524	69,401,524
	Transferred from/to Profit & Loss Account	-	-	-11547188	-11547188
	Allocation towards allotment of bonus shares	-	-	-	-
	Receved During the Year	-	-	-	-
	Proposed Dividends	-	-	-	-
	Provision towards dividend distribution tax	-	-	-	-
	Deferred Tax on adjustment relating to Fixed Assets	-	-	95,125	95,125
	Adjustment relating to Fixed Assets(Refer Sch 10)	-	-	-307,847	-307,847
	At the close of the reporting period	<b>30,400,000</b>	<b>5,350,000</b>	<b>21,891,614</b>	<b>57,641,614</b>
	At the close of the previous reporting period	<b>30,400,000</b>	<b>5,350,000</b>	<b>33,651,524</b>	<b>69,401,524</b>

## ALACRITY SECURITIES LTD

Notes to financial Statements for the year ended 31st March 2015			
			In Rs.
4	4	<b>Long term Borrowings</b>	
		<b>Particulars</b>	<b>As at 31/03/2015</b>
			<b>As at 31/03/2014</b>
	<b>1) I)</b>	<b>Secured Loans:</b>	
	a.	Term Loans	
	(i)	Vehicle Loan	
		- from Banks	1516037
			<b>793061</b>
		Amount Disclosed under the Head "Other Current Liabilities"	<b>1516037</b>
		(Note :8)	<b>723979</b>
			239417
			792058
		<b>Additional Information:</b>	
		Details of security for secured loans	
		Vehicle loan is secured against hypothecation of Vehicles	
		<b>5 Deferred Tax Assets &amp; Liabilities</b>	
		<b>Particulars</b>	
	<b>i) I)</b>	<b>Deferred tax liability:</b>	
	a)	On account of depreciation on fixed assets	1011356
	b)	On account of timing differences in recognition of expenditure	0
		Total	<b>322942</b>
			1011356
		<b>DEFERRED TAX ASSETS</b>	
		On account of Carried forward Losses and Depreciation	0
			0
		<b>Net Deferred tax liability</b>	<b>322942</b>
			1011356
6		<b>Short term Borrowings</b>	
		<b>Particulars</b>	<b>As at 31/03/2015</b>
			<b>As at 31/03/2014</b>
	<b>I)</b>	<b>Secured Loans:</b>	
	a)	Working Capital Loan	
		Against FDR	22,518,202
		- from banks	
		Against Shares	
		- from banks	19,083,291
		<b>Total</b>	<b>77,629,618</b>
			<b>22,518,202</b>
		<b>Additional Information:</b>	
	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

<b>7</b>	<b>Trade Payables</b>			
	i) To Micro, Small and Medium Enterprises		-	-
	ii) Others (Amt Due to Clients, Margin & Exchange)		52,349,645	33,157,396
			<b>52,349,645</b>	<b>33,157,396</b>
	<b>8 Other current liabilities:</b>			
	Current maturities of Long-term Borrowings (Refer Note:6)			
	a) Vehicle Loan			
	- from banks		553,644	723,979
			<b>553,644</b>	<b>533,114</b>
	b) Liabilities for Expenses		559,460	643,531
	d) Statutory Liabilities & outstanding Exp (TDS & S.T)		465,553	664,522
	f) Bank Book Overdraft		515,639	4,606,146
	g) Mark To Market ( F&O Open Position )		1,739,950	-
			<b>3,834,246</b>	<b>6,638,177</b>
	<b>9 Short term provisions:</b>			
	a) Provision for Taxation		13,419,000	13,512,084
			<b>13,419,000</b>	<b>13,512,084</b>

10	Fixed Assets:	In Rs										
		GROSS BLOCK (AT COST)			DEPRECIATION					NET BLOCK		
		As at 01/04/2014	Additions for the year	Deductions during the year	As at 31/03/2015	As at 01/04/2014	For the year	Deduction s	Adjustme nt	As at 31/03/2015	As at 31/03/2015	As at 31/03/2014
	<b>Tangible Assets</b>											
	<b>Own assets</b>											
	Office Premises	6,023,207	0	0	6,023,207	807,104	96,331	0	903,435	5,119,773	5,216,103	
	Computers	6,420,661	67,410	4,921,004	1,567,067	6,310,562	226,886	4,921,004	-194,356	1,422,087	144,980	110,099
	Furniture & Fixtures	2,823,832	0	885,911	1,937,921	1,363,015	713,420	584,447	0	1,491,988	445,933	1,460,817
	Vehicles	11,650,192	0	0	11,650,192	6,305,358	1,473,069	-354,855	7,423,572	4,226,620	5,344,834	
	Office Equipment	1,390,874	30,000	309,606	1,111,268	446,808	291,069	195,139	331,964	874,702	236,566	944,066
	Electrical Inst	870,849	0	0	870,849	558,063	125,330	47,022	730,415	140,434	312,786	
	Air Condition	930,106	0	0	930,106	339,235	9,436	525,829	874,500	55,606	590,871	
		<b>30,109,721</b>	<b>97,410</b>	<b>6,116,521</b>	<b>24,090,610</b>	<b>16,130,145</b>	<b>2,935,541</b>	<b>5,700,590</b>	<b>355,603</b>	<b>13,720,699</b>	<b>10,369,911</b>	<b>13,979,576</b>
	<b>Intangible assets</b>											
	Computer Software	1,304,021	452,270	0	1,756,291	1,027,464	365,492	-47,756	1,345,200	411,091	276,557	
		<b>1,304,021</b>	<b>452,270</b>	<b>0</b>	<b>1,756,291</b>	<b>1,027,464</b>	<b>365,492</b>	<b>0</b>	<b>-47,756</b>	<b>1,345,200</b>	<b>411,091</b>	<b>276,557</b>
	<b>TOTAL</b>	<b>31,413,742</b>	<b>549,680</b>	<b>6,116,521</b>	<b>25,846,901</b>	<b>17,157,609</b>	<b>3,301,033</b>	<b>5,700,590</b>	<b>307,847</b>	<b>15,065,900</b>	<b>10,781,002</b>	<b>14,256,133</b>
	<b>Preious Year</b>	<b>31,183,352</b>	<b>1,420,343</b>	<b>1,189,953</b>	<b>31,413,742</b>	<b>15,810,583</b>	<b>1,743,150</b>	<b>396,124</b>	<b>0</b>	<b>17,157,609</b>	<b>14,256,133</b>	<b>15,372,768</b>

### Note : 10.1

Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. The written down value of Fixed Assets whose lives have expired as at 1st April, 2014 have been adjusted in opening balance of Profit and Loss Account to Rs. 307,847/- & correspondingly Deferred Tax Asset of Rs. 95125/-.

### 10.2

Had the company continue with the old provision for depreciation, Depreciation for current year would have been lower by Rs.15,23,614/- and correspondingly loss to the same extent.

## ALACRITY SECURITIES LTD

11 Non Current Investments:			In Rs
Details of Investments	Face Value	As at 31/03/2015	As at 31/03/2014
<b>Investments in Equity Instruments: (quoted)</b>			
Associates			
Odyssey Corporation Ltd. (Qty 1635494, PY. 1054550)	5	32,067,835	27,968,195
<b>Other Non Current Investments (quoted)</b>			
Aqua Logistic Ltd. ( Qty 741355, P.Y. 741355)	10	7,378,724	7,378,724
<b>Investments in Mutual funds</b>			
Canara Robeco Gold Saving Fund ( Qty 30482.5770 , PY 16784.2670)		280,000	160,000
Canara Robeco Equity Diversified Growth Fund( Qty 3949.1740, PY 2554.6530)		280,000	160,000
<b>Other non current investments (Unquoted)</b>			
Chincholi Sugar & Bio Ind Ltd. (Qty 25000, P.Y. 25000)	10	1,000,000	1,000,000
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
<b>Total</b>		<b>41,018,559</b>	<b>36,678,919</b>
Additional Information:			
Aggregate value of quoted investments:			
Cost		39,446,559	35,346,919
Market Value		7,403,024	16,721,038
Aggregate value of unquoted investments:			
Cost		1,572,000	1,332,000
<b>12 Long Term Loans &amp; Advances</b>			
Deposites (With Exchange& Others)		8,194,579	8,887,279
		<b>8,194,579</b>	<b>8,887,279</b>
<b>13 Other non current assets</b>			
Unamortized Expenses		1,221,354	2,084,030
		<b>1,221,354</b>	<b>2,084,030</b>

## ALACRITY SECURITIES LTD

Particulars		As at 31/03/2015	In Rs As at 31/03/2014
<b>14</b>	<b>Inventories:</b>		
i)	Stock-in-Trade (Shares)		
	(Valued at lower of cost or Market Value)	82,943,351	9,087,482
		<b>82,943,351</b>	<b>9,087,482</b>
<b>15</b>	<b>Trade receivables:</b>		
	(Unsecured considered good.)		
i)	Trade receivables exceeding six months	6,276,570	20,843,579
ii)	others	22,348,105	57,867,623
		<b>28,624,676</b>	<b>78,711,203</b>
<b>16</b>	<b>Cash and cash equivalents:</b>		
i)	Balances with banks		
	In current Accounts	2,338,617	2,018,740
	In Deposites Accounts		
	- in fixed deposit accounts	91,359,685	86,213,057
	(Pledged/ lien with bank against O/D & Guarantee facility)		
iii)	Cash on hand	480,981	2,268,734
		<b>94,179,283</b>	<b>90,500,532</b>
<b>17</b>	<b>Short term loans and advances:</b>		
	(unsecured, considered good)		
i)	Loans & advances & other receivable	117,183,605	85,875,037
iii)	Advance Income Tax, TDS	18,640,532	17,795,244
iv)	MAT Credit Entitelment	10,296,837	10,296,837
v)	Staff Loan	152,000	160,500
		<b>146,272,973</b>	<b>114,127,617</b>
<b>18</b>	<b>Other Current Assets</b>		
i)	Unamortized expenses	862,675	862,675
ii)	Interest Accured on deposits	1,782,998	1,780,339
iii)	Prepaid Exp	355,034	854,587
		<b>3,000,707</b>	<b>3,497,601</b>

## ALACRITY SECURITIES LTD

		In Rs.	
Particulars		2014-15	2013-14
<b>19</b>	<b>Revenue from operations:</b>		
	Sales	391,168,832	2,898,284
	Sale of Services	12,874,262	9,451,870
	Other Operating Revenues	621,955	1,346,274
		<b>404,665,048</b>	<b>13,696,429</b>
<b>20</b>	<b>Other Income:</b>		
	Interest Income (Bank & Other)	8,262,710	8,917,681
	Dividend Income		
	- from long term investments	22,735	3,900
	Profit on Future & Option	2,821,312	106,193
	Other non operating income (net of expenses directly attributable to such income, Rent, Other Income, Stamp Duty)	30,000	30,000
		<b>11,136,758</b>	<b>9,057,774</b>
<b>21</b>	<b>Changes in inventories of finished goods, WIP and stock in trade:</b>		
	<b><u>Inventories at the beginning of the year</u></b>		
	Shares	9,087,482	2,612,860
	<b><u>Inventories at the end of the year</u></b>		
	Shares	82,943,351	9,087,482
		<b>-73,855,869</b>	<b>-6,474,622</b>
<b>22</b>	<b>Employee Benefit Expenses:</b>		
	Salaries and Wages	2,189,437	1,695,207
	Contribution to provident and other funds	77,934	101,952
	Remuneration to whole time directors	1,128,000	1,004,500
	Staff welfare & Canteen expenses	91,546	81,410
		<b>3,486,917</b>	<b>2,883,069</b>
<b>23</b>	<b>Finance Costs:</b>		
	Bank Charges & Interest	9,514,721	3,212,783
	Other Borrowing Cost	870,727	76,602
	Interest Paid	54,399	147,926
		<b>10,439,847</b>	<b>3,437,311</b>
<b>24</b>	<b>Depreciation and amortization:</b>		
i)	Depreciation	3,301,033	1,743,150
ii)	Amortization of intangible assets	862,676	862,675
		<b>4,163,709</b>	<b>2,605,825</b>

## ALACRITY SECURITIES LTD

		In Rs.	
Particulars		Period ended March 2015	Period ended March 2014
<b>25</b>	<b>Trading &amp; Administrative Expenses</b>		
	Payment to the auditors		
	- for Audit fees	100,000	100,000
	- for Tax audit fees	50,000	50,000
	- for other services	100,000	32,500
	Annual Fee to Exchanges	56,180	25,000
	Annual Maintanace	237,614	73,406
	Penalty & Fines	87,479	306541
	Connectivity Charges (Lease line & VSAT)	179,974	197,337
	Demat Charges & Stamp Charges	179,487	154,111
	Donations	43,500	11,000
	Electricity Exp	504,816	347,832
	Insurance	183,768	33,469
	Interest/ Finance Charges on car Loan	121,744	306,541
	Internal Audit Fees	100,000	100,000
	Legal and professional charges	769,504	407,109
	Loss on sale/discard of fixed asset	415,931	243,829
	Miscellaneous expenses	305,980	202,548
	Motor Car Expenses	28,721	105,129
	MARKET MAKER FEES PAID	404,167	-
	BAD DEBTS	564,222	-
	Security Transaction Charges	579,180	11,813
	Share Tradding Exp On Pro A/C	118,926	-
	Repairs & Maintance	474,347	407,519
	SEBI turnover charges	48,037	32,825
	Society Maintance and Mun taxes	192,420	142,420
	Stock Exchange Charges	23,829	116,751
	Sub Brokrage Paid	3,189,779	2,091,029
	Telephone Expenses	225,217	192,801
	Transaction Charges Paid	709,979	800,313
	Travelling & Convence	783,465	652,452
	Listing & Custodian Fees	25,000	72,221
	MCx Charges	-	4,000
	Depository Charges	119,205	79,682
	Share Transfer & Registration Fees	-	15,000
	Loss in Currency Trading	45,684	
		<b>10,968,158</b>	<b>7,315,177</b>

**ALACRITY SECURITIES LTD**

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

Sr.No	Particulars	for the year ended 31/03/2015		for the year ended 31/03/2014	
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
1)	Net Profit Before Tax		-12233561		4,284,979
2)	Adjustments for:				
	Depreciation and Amortization Expences	4,163,709		2,605,825	
	loss/(profit) on sale of fixed assets	415,931		243,829	
	Finance Costs	10,439,847		3,655,200	
	profit on sale of investments	-		-	
	Dividend Income	-22,735		-3,900	
	Interest Income	-8,262,710		-8,917,681	
	Short Term capital Loss	-		151,064	
			6734041.59		-2,265,664
	<b>Operating profit before working capital changes</b>		-5499519.2		2,019,315
3)	Adjustments for:				
	Decrease/(increase) in trade receivables	50,086,527		-26,082,256	
	Decrease/(increase) in inventories	-73,855,869		-6,474,622	
	Decrease/(increase) in short term loans & advances	-32,145,356		-51,791,868	
	Decrease/(increase) in other current assets	496,894		1,031,517	
	Increase/(decrease) in trade payable	19,192,251		-6,589,631	
	Increase/(decrease) in short term borrowings	55,111,416			
	Increase/(decrease) in other liabilities	-2,803,931	16,081,932	-4,690,722	-94,597,582
	Cash generated from operation		10,582,413		-92,578,267
4)	Taxes Paid (net)		0		849,082
	Net cash from operating activities	<b>A</b>	10,582,413	<b>A</b>	-93,427,349
<b>B</b>	<b>CASH FROM INVESTING ACTIVITIES</b>				
1)	Purchase of fixed assets	-97,410		-1,411,843	
2)	Purchase of intangible assets	-452,270		-8,500	
3)	Sale/disposal of fixed assets	-		550,000	
4)	Purchase of current and non current investments	-4,339,640		-240,000	
5)	Proceeds from sale of current and non current investments	-		37,953	
6)	Dividend on investments	22,735		3,900	
7)	Interest received	8,262,710		8,917,681	
			3,396,125		7,849,191
	Net Cash form /(used in) investing activities	<b>B</b>	3,396,125	<b>B</b>	7,849,191



**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 Tuesday, the 29<sup>th</sup> 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, 2015		
2.	Appointment of Ms. Pooja H Mehta (03498526) as Director who is liable to retire by rotation.		
3.	Ratification of M/s. Lalit Kumar Dangi & CO., Chartered Accountants(FRN. 112107W) as Statutory Auditors & fixing their remuneration.		
4.	To appoint Mr. Jai Prakash Jindal(00244802) as Independent Director.		
5.	Re-appointment of Mr. Kishore Shah and CFO(01975061) as Whole Time Director and CFO for a period of five years		
6.	Alteration of Article of Association		
7.			

\* Applicable for investors holding shares in Electronic form.

Signed this \_\_\_ day of \_\_\_ 2015

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

**21<sup>st</sup> 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 Tuesday, the 29<sup>th</sup> September,2015

(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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101, B-Wing, Haridarshan Building

Bhogilal , Phadia Road

Kandivali (W), Mumbai - 40067.

