

ALACRITY SECURITIES LIMITED

CIN: L99999MH1994PLC083912

25TH ANNUAL REPORT

2018-19

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CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. Hiten Mehta

Non-Executive - Non Independent Director

Mr. Jaiprakash Jindal

Non-Executive Independent Director
(Resigned w.e.f. 23.05.2019)

Mr. Deven Sanghvi

Non-Executive Independent Director
(Appointed w.e.f. 23.05.2019)

Mr. Kishore Shah

Chief Financial Officer & Whole Time Director

Mrs. Nipa Prashant Sheth

Executive Director
(Resigned w.e.f. 16.08.2019)

Mrs. Pooja Mehta

Executive Director
(Appointed w.e.f. 16.08.2019)

Mr Ankur Mehta

Non-Executive - Independent Director

BANKERS:

Canara Bank
Axis Bank
HDFC Bank

COMPANY SECRETARY AND COMPLIANCE OFFICER:

Ms. Aditi Agarwal

REGISTERED OFFICE:

101, B Wing -Haridarshan Building Bhogilal Phadia
Road
Near S V P Primary School Kandivali (West)
Mumbai - 400067

Tel : 022-2807 3882

Fax :022-2807 3967

Email : alacritysec@gmail.com

STATUTORY AUDITORS:

M/s. ABN & Co.

Chartered Accountants
612,Vakratunda Corporate Park Vishweshwar Nagar,
Near Udipi Vihar Off Aarey Road, Goregaon E Mumbai -
400063.

Tel : 022-66719058

Email : sckabra@hotmail.com

SECRETARIAL AUDITORS:

M/s Jaymin Modi & Co.
Company Secretaries
A/302, Om Mahavir CHSL, Behind
Naresh Steel, Navghar Cross S.V. Road,
Bhayander (East), Thane - 401105.

REGISTRAR & TRANSFER AGENT:

Bigshare Services Private Limited
E/2, Ansa Industrial Estate,

Saki Vihar Road,Saki Naka,
Andheri East, Mumbai - 400072

COMMITTEES OF THE BOARD:

Audit Committee
Nomination & Remuneration Committee
Stakeholders Relationship Committee

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 25TH ANNUAL GENERAL MEETING OF THE MEMBERS OF ALACRITY SECURITES LIMITED TO BE HELD AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 101, B Wing -HARIDARSHAN BUILDING, BHOGILAL PHADIA ROAD NEAR S V P PRIMARY SCHOOL, KANDIVALI (WEST) ,MUMBAI - 400067 ON SEPTEMBER 30TH, 2019, MONDAY AT 12.30 P.M. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2019 and the Profit and Loss Account for the year ended on that date together with the Schedules thereon, along with the Reports of the Directors and Auditors thereon.**
- 2. To appoint a Director in place of Mr. Kishore Vithaldas Shah, who retires by rotation and being eligible offered himself for re-appointment.**
- 3. To appoint a Director in place of Ms. Pooja Hemashu Mehta, who retires by rotation and being eligible offered himself for re-appointment.**

SPECIAL BUSINESS:

- 4. REGULARISATION OF ADDITIONAL DIRECTOR, MR. DEVEN NARENDRA SANGHAVI BY APPOINTING HIM AS INDEPENDENT DIRECTOR OF THE COMPANY**

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

“RESOLVED THAT, Mr. Deven Narendra Sanghavi (DIN-08457596), who was appointed as an Additional Director with effect from 23rd May, 2019 on the Board of Directors of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and are hereby severally authorized to sign the requisite forms / documents and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

**Registered Office:
101, B Wing -Haridarshan Building,
BhogilalPhadia Road Near S V P Primary School,
Kandivali (West),Mumbai - 400067**

By order of the Board

**Sd/-
KISHORE VITHALDAS SHAH
Executive Director& CFO**

**Place: Mumbai
Date: 05.09.2019**

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 24th September, 2019 to 30th September, 2019 (both Days inclusive).
3. A statement giving the relevant details of the Directors seeking re-appointment under Item No. 2 & 3 of the accompanying Notice.
4. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
5. 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.

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.
12. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the Registrar and Transfer Agent of the Company.

13. Pursuant to the requirement of Corporate Governance of the Listing Regulation 2015 entered into with the Stock Exchange, the brief resume of all the Directors proposed to be appointed, nature of expertise, names of Companies in which they hold directorships and shareholding are provided in the Director's Report forming part of the Annual Report.
14. Members may also note that the Notice of 25th Annual General Meeting and Annual Report fro 2018-19 will be available on the website www.alacritysec.com for download.
15. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company.
16. Members who have not registered their e-mail address so far, are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.

Registered Office:

101, B Wing -Haridarshan Building,
BhogilalPhadia Road Near S V P Primary School,
Kandivali (West), Mumbai – 400067

By order of the Board

Sd/-
KISHORE VITHALDAS SHAH
Executive Director & CFO

Place: Mumbai

Date: 05.09.2019

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 3

Mr. Deven Narendra Sanghvi was appointed as an Additional Director of the Company with effect from 23rd May, 2019, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of the ensuing Annual General Meeting of the Company.

Mr. Deven Narendra Sanghvi is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

The Board is of the view that the appointment of Mr. Deven Narendra Sanghvi as Independent Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 3 for approval by the members of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Deven Narendra Sanghvi himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an ordinary resolution.

Registered Office:

101, B Wing -Haridarshan Building,
BhogilalPhadia Road Near S V P Primary School,
Kandivali (West), Mumbai – 400067

By order of the Board

Sd/-
KISHORE VITHALDAS SHAH
Executive Director & CFO

Place: Mumbai

Date: 05.09.2019

BOARD'S REPORT

To,
The Members,
Alacrity Securities Limited

our Directors take pleasure in presenting the 25th Report on the business and operations of your Company together with the Audited Financial Statements for the year ended 31st March, 2019.

FINANCIAL RESULT

The financial performance of your Company for financial Year 2018-19 and 2017-18 is summarized as below:

Particular	Year Ended On 31 st March,2018	Year Ended On 31 st March,2019
Total Revenue	76,31,53,570	64,40,56,200
Total Expenditure	75,78,37,663	68,43,09,286
Profit before Tax	53,15,908	-4,02,53,087
Current Tax	9,83,183	-3,01,229
Deffered Tax	-16,17,153	-16,806
MAT Credit (Entitlement)/ availed	-9,83,183	NIL
Profit/(Loss) After Tax	69,33,062	-399,35,052

FINANCIAL HIGHLIGHTS

Standalone Revenues: During the fiscal 2019, the gross operational loss of the Company stood at Rs. 4,02,53,087.

TRANSFER TO RESERVES

The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the year under review.

DIRECTORS AND KEY MANAGERIAL PERSONS

The Composition of the Board and Key Managerial Persons of the Company as on 31st March, 2019 were as follows:

Sr No.	Name of the Director	Designation	Date of Appointment	Date of Cessation
1	Hiten Ramniklal Mehta	Non-Executive - Non Independent Director	30/04/2012	NA
2	Kishore Vithaldas Shah	Executive Director	06/07/2009	NA
3	Pooja Hemanshu Mehta	Executive Director	16/08/2018	NA
4	Nipa Prashant Sheth	Executive Director	15/02/2016	16/08/2018
4	Ankur Mahesh Mehta	Non-Executive - Independent Director	12/03/2014	NA
5	Jaiprakash Jindal	Non-Executive Independent Director	26/12/2011	23/05/2019
6	Deven Narendra Sanghvi	Additional- Independent Director	23/05/2019	NA
7	Kishore Vithaldas Shah	Chief Financial Officer (Key Managerial Person)	30/03/2015	NA
8	Aditi Agarwal	Company Secretary (Key Managerial Person)	01/08/2017	NA

DISCLOSURES BY DIRECTORS

The Directors on the Board have submitted notice of interest under Section 184(1) i.e. in Form MBP 1, intimation under Section 164(2) i.e. in Form DIR 8 and declaration as to compliance with the Code of Conduct of the Company. All Independent Directors have also given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act.

RETIRE BY ROTATION

Mr. Kishore Shah (DIN: 01975061), Executive Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. Your Directors recommends him for re-appointment.

Ms. Pooja Mehta, (DIN: 03498526), Executive Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. Your Directors recommends him for re-appointment.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The manner in which the evaluation has been carried out has been covered in the Corporate Governance Report.

MEETINGS

The details of the number of Board and Committee meetings of your Company held during the financial year, indicating the number of meetings attended by each Director is set out in the Corporate Governance Report. The Composition of various committees of the Board of Directors is provided in the Corporate Governance Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System including Internal Financial Controls, commensurate with the size, scale and complexity of its operations as approved by the Audit Committee and the Board. The Internal Financial Controls are adequate and working effectively. The scope and authority of the Internal Audit is laid down by the Audit Committee and accordingly the Internal Audit Plan is laid out to maintain its objectivity and independence, the Internal Auditors reports to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitors and evaluates the efficiency and adequacy of internal control system in the Company. Based on the report of internal audit, process owners/concerned departments undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established/formed a vigil mechanism to deal with genuine concerns of the employees and Directors. All employees and Directors are made aware of the mechanism. The Company has established a system to ensure effective functioning of the mechanism.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the Requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and an Internal Complaints Committee has been set up to redress complaints received regarding Sexual Harassment at workplace, with a mechanism of lodging & redress the complaints. All employees (permanent, contractual, temporary, trainees etc.) are covered under this policy.

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed separately as part of the annual report.

SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards.

EXTRACT OF ANNUAL REPORT

As required pursuant to section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, (as amended) is furnished in the Form MGT-9 as **Annexure A** to this report.

RELATED PARTY TRANSACTIONS

All related party transactions entered during the period under review were on arm's length basis and in the ordinary course of business. In terms of Section 134(3)(h) of the Companies Act, 2013. There are no materially significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel, which may have a potential conflict with the interest of the Company at large.

As per applicable provisions of the Companies Act, 2013, the details of contracts and arrangements with related parties in Form AOC 2 are annexed herewith as **Annexure B**.

The details of the transactions with Related Parties are provided in the accompanying financial statements as required under Accounting Standard 18.

STATUTORY AUDITOR

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made there under, the current auditors of the Company, M/s. ABN & Co. Chartered Accountants, Mumbai, who holds the office for a term of Five Years, from the conclusion of the Annual General Meeting held on 28/09/2017 till the conclusion of Annual General Meeting of the Company to be held in the year 2022. The Company has received a certificate from the said Statutory Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

SECRETARIAL AUDITOR

In terms of Section 204 of the Companies Act, 2013, the Board of Directors of your Company has appointed M/s. Jaymin Modi & Co., Practicing Company Secretaries, Mumbai as a Secretarial Auditors to conduct an Audit of secretarial records and compliances in accordance with the provisions of Section 204 of the Companies Act, 2013 for the financial year ended on March 31, 2019. The Secretarial Audit Report given by M/s. Jaymin Modi & Co., Company Secretaries, Mumbai is enclosed as **Annexure C** to this report.

PUBLIC DEPOSITS

During the Financial Year 2018-19 under review, the Company has neither invited nor accepted any public deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014. As such, no specific details prescribed in Rule (8)(1) of the Companies (Accounts) Rules, 2014 (as amended) are acquired to be given or provided.

CORPORATE GOVERNANCE

The Company being listed on the Small and Medium Enterprise platform is exempted from provisions of corporate governance as per Regulation 15 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is pertinent to mention that the Company follows majority of the provisions of the corporate governance voluntarily and report on corporate governance is provided as **Annexure D** to this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year, the Company has not given any loan, guarantee or provided security in connection with the loan to any other body corporate or person or made any investments hence no particulars of the loans, guarantees or investments falling under the provisions of Section 186 of the Companies Act, 2013 are provided by the Board.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant & material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

RISK MANAGEMENT POLICY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS

- **AUDIT COMMITTEE:**

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section.

- **Composition:**

NAME OF THE DIRECTORS	CATEGORY OF DIRECTORSHIP	REMARKS	NUMBER OF MEETINGS	
			Held	Attended
Mr. Ankur M Mehta	Non-Executive Independent Director	Chairman	4	4
Mr. Jai Prakash Jindal	Non-Executive Independent Director	Member	4	4
Mrs. Pooja H Mehta	Executive Director	Member	4	4

- **Terms of reference:**

The broad terms of reference of the Audit Committee are as under:

- i. Reviewing of the Company's financial reporting process and the disclosure of its financial information
- ii. To ensure that the financial statement is correct, sufficient and credible.
- iii. Recommending the appointment, remuneration and terms of appointment of external Auditor.
- iv. Review and monitor the auditor's independence and performance and effectiveness of audit process.
- v. Approval or any subsequent modification of transactions of the company with related parties
- vi. Scrutiny of inter-corporate loans and investments
- vii. Valuation of undertakings or assets of the Company, wherever it is necessary.
- viii. Monitoring the end use of funds raised through public offers and related matters.
- ix. Reviewing with management the Annual financial statements and half yearly and Quarterly financial results before submission to the Board.
- x. Reviewing periodically the adequacy of the internal control system.
- xi. Discussions with Internal Auditor on any significant findings and follow up there on.

- **NOMINATION AND REMMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of Directors was constituted pursuant to the provisions of Section 178 of the Companies Act, 2013. The Composition of the Committee is in conformity with the provisions of the said Section.

- **Composition:**

NAME OF THE DIRECTORS	CATEGORY OF DIRECTORSHIP	REMARKS	NUMBER OF MEETINGS	
			Held	Attended
Mr. Ankur M Mehta	Non-Executive Independent Director	Chairman	1	1
Mr. Jai Prakash Jindal	Non-Executive Independent Director	Member	1	1
Mr. Hiten R Mehta	Non-Executive & Non-Independent Director	Member	1	1

- **Terms of reference:**

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining the qualifications, positive attributes and independence of Director;
- Devising a policy on Board diversity;
- Formulation of Remuneration policy;
- Review the structure, size and composition of the Board;
- Identifying and selection of candidates for appointment as Directors;
- Identifying potential individuals for appointment as Key Managerial Personnel and Senior Management;
- Formulation of criteria for evaluation of Independent Directors and the Board.

- **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee of Directors was constituted pursuant to the provisions of Section 178(5) of the Companies Act, 2013. The composition of the Committee is in conformity with the provisions of the said section.

- **Composition:**

NAME OF THE DIRECTORS	CATEGORY OF DIRECTORSHIP	REMARKS	NUMBER OF MEETINGS	
			Held	Attended
Mr. Hiten R Mehta	Non-Executive & Non-Independent Director	Chairman	1	1
Mrs. Pooja H Mehta	Executive Director	Member	1	1
Mr. Ankur M Mehta	Non-Executive - Independent Director	Member	1	1

- **Details of Investor's grievances/ Complaints:**

The Company has not received any complaints during the year. The pending complaints of the Shareholders/Investors registered with SEBI at the end of the current financial year ended on 31st March 2019 are NIL.

- **Compliance Officer:**

Ms. Aditi Agarwal is the compliance Officer of the Company for the above purpose.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed and there were no material departures;
- they 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 of the Company for that period;

- c. they had taken proper and sufficient care for the 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 fraud and other irregularities;
- d. they had prepared the annual accounts on a going concern basis;
- e. they had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f. they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the statutory and external consultants and the reviews of the management and the relevant Board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the year under review.

CORPORATE SOCIAL RESPONSIBILITY

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under the provisions of Section 134(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers, regulatory bodies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year.

Registered Office:

101, B Wing -Haridarshan Building,
Bhogilal Phadia Road Near S V P Primary School,
Kandivali (West), Mumbai - 400067

By order of the Board

Sd/-
KISHORE VITHALDAS SHAH
Executive Director & CFO

Place: Mumbai

Date: 05.09.2019

FORM NO.MGT-9
(ANNEXURE-A TO THE REPORT OF BOARD OF DIRECTORS)
EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st March,
2019

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

• **REGISTRATION AND OTHER DETAILS:**

i.	CIN	L99999MH1994PLC083912
ii.	Registration Date	20/12/1994
iii.	Name of the Company	ALACRITY SECURITIES LIMITED
iv.	Category/Sub-Category of the Company	Company limited by Shares Non-government company
v.	Address of the Registered office and Contact details	101, Haridarshan, B-Wing, Bhogilal Phadia Road, Kandivali (E), Mumbai Mh 400067
vi.	Whether listed company	Listed
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICE PRIVATE LIMITED 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai-400059 Tel : +91-22-62638200

• **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

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

• PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
NIL					

• SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

• Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year 31-03-2018				No. of Shares held at the end of the year 31-03-2019				% of Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A. Promoters									
(1) Indian									
(a) Individuals/ HUF	1,09,35,700	0	1,09,35,700	51.88	1,09,35,700	0	1,09,35,700	51.88	0
Himanshu Ramniklal	1,59,000	0	1,59,000	0.75	1,59,000	0	1,59,000	0.75	0
Pooja Hemanshu Mehta	1,07,76,700	0	1,07,76,700	51.12	1,07,76,700	0	1,07,76,700	51.12	0
Central Govt./State Govt.	0	0	0	0.00	0	0	0	0.00	0
Financial Institutions/Banks	0	0	0	0.00	0	0	0	0	0
Sub Total (A)(1):-	1,09,35,700	0	1,09,35,700	51.88	1,09,35,700	0	1,09,35,700	51.88	0

(2) Foreign									
(a) NRI	0	0	0	0.00	0	0	0	0.00	0
(b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0
(c) Bodies Corp.	5,36,000	0	5,36,000	2.54	7,76,000	0	7,76,000	3.68	1.14
(d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0
(e) Any Other....									
Sub Total (A)(2):-	0	0	0	0.00	7,76,000	0	7,76,000	3.68	0
Total shareholding of (Promoter (A) = (A)(1)+(A)(2)	1,14,71,700	0	1,14,71,700	54.42	1,17,11,700	0	1,17,11,700	55.56	1.14
B. Public Shareholding									
(1) Institutions									
(a) Mutual	0	0	0	0.00	0	0	0	0.00	0
(b) Banks FI	0	0	0	0.00	0	0	0	0.00	0
(c) Central Govt	0	0	0	0.00	0	0	0	0.00	0
(d) State	0	0	0	0.00	0	0	0	0.00	0
(e) Venture	0	0	0	0.00	0	0	0	0.00	0
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0
(g) FIIs	0	0	0	0.00	0	0	0	0.00	0
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
(i) Others									
Sub-total	0	0	0	0.00	0	0	0	0.00	0
(2) Non-Institutions									
(a) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0
(i) Indian	0	0	0	0.00	0	0	0	0.00	0
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0

(b) Individuals									
(i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	14,58,000	16,600	14,74,600	7.00	13,89,978	16,600	14,06,578	6.67	0.33
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	71,09,000	63,15,130	79,38,700	37.6	69,61,000	8,29,700	77,90,700	36.96	2.36
Others	1,95,000	0	1,95,000	0.93	1,71,022	0	1,71,022	0.81	0.12
*N.R.I. (NONREPAT)	0	0	0	0.00	0	0	0	0.00	0
*N.R.I. (REPAT)	0	0	0	0.00	0	0	0	0.00	0
*Foreign Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0
* Trust	0	0	0	0.00	0	0	0	0.00	0
*HUF									
* Employee									
*Clearing Members	0	0	0	0.00	0	0	0	0.00	0
*Depository	0	0	0	0.00	0	0	0	0.00	0
Sub-total (B)(2):-	87,62,000	8,46,300	96,08,300	45.58	85,22,000	8,46,300	93,68,300	44.44	0
Total Public Shareholding (B) = (B)(1)+(B)(2)	87,62,000	8,46,300	96,08,300	45.58	85,22,000	8,46,300	93,68,300	44.44	0
C. TOTSHR held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0
Grand Total (A + B + C)	2,02,33,700	8,46,300	2,10,80,000	100.00	2,02,33,700	8,46,300	2,10,80,000	100.00	-

- SHAREHOLDING OF PROMOTERS:**

SR No.	Shareholder's Name	Shareholding at the beginning of the year (As on 31st March, 2018)			Share holding at the end of the year (As on 31st March, 2019)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Himanshu Ramniklal Mehta	1,59,000	0.75	NIL	1,59,000	0.75	NIL	0.00
2	Pooja Hemanshu Mehta	1,07,76,700	51.12	NIL	1,07,76,700	51.12	NIL	0.00
3	Odyssey Corporation Limited	5,36,000	2.54	NIL	7,76,000	3.68	NIL	1.14
	Total	1,14,71,700	54.42	NIL	1,17,11,700	55.56	NIL	1.14

- CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE):**

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	1,14,71,700	54.42	1,14,71,700	54.42
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Allotment	2,40,000	1.14	2,40,000	1.14
3.	At the End of the year	1,17,11,700	55.56	1,17,11,700	55.56

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

Sr. No	For each of the Top ten Shareholders	Shareholding as on 31.03.2019	
		No. of shares	% of total shares of the company
1	ODYSSEY CORPORATION LIMITED	776000	3.6812
2	JIGAR P VORA	500000	2.3719
3	SHEETAL JIGAR VORA	500000	2.3719
4	MONICA RAMESH SHAH	500000	2.3719
5	ANISH DILIP SHAH	500000	2.3719
6	MANISH DILIP SHAH	500000	2.3719
7	RAKHI S BOHRA	500000	2.3719
8	MOIN AKHTAR QURESHI	312000	1.4801
9	NASREEN MOIN QURESHI	280000	1.3283
10	VIPUL AJITKUMAR DAVE	250000	1.1860

- SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Name of the Directors or Key Managerial Personnel	No. of Equity Shares Held	% of total shares of the company
Pooja H. Mehta	1,07,76,700	51.12

- INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	57576984	NIL	NIL	57576984
<ul style="list-style-type: none"> i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due 				
Total (i+ii+iii)	57576984	NIL	NIL	57576984

Change in Indebtedness during the financial year				
☒☒Addition	47058715	40600000	NIL	87658715
☒☒Reduction	726212	NIL	NIL	726212
Net Change	47784927	40600000	NIL	86932503
Indebtedness at the end of the financial year				
i) Principal Amount	103909487	40600000	NIL	144509487
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	103909487	40600000	NIL	144509487

- **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		WTD / CFO	WTD	WTD	
		Kishore V Shah	Nipa Prashant Sheth	Pooja H Mehta	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	887250	69750	300000	1272500
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit	NIL	NIL	NIL	NIL

	- Others, specify...					
5.	Others, please specify					
	Total (A)	887250	69750	300000		1272500
	Ceiling as per the Act					

➤ **REMUNERATION TO OTHER DIRECTORS:**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Hiten R Mehta	Mr. Ankur Mehta	Mr. Jai Prakash Jindal	
	1. Independent Directors Fee for attending board / committee meetings Commission Others, please specify	NIL	NIL	NIL	NIL
	Total (1)				
	2. Other Non-Executive Directors Fee for attending board / committee meetings Commission Others, please specify	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL	NIL

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➤ **REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD -**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary	Total
1	Gross salary 1) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 2) Value of perquisites u/s 17(2) Income-tax Act, 1961 3) Profits in lieu of salary under section 17(3) Income tax Act, 1961		145200	145200
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - Others, specify...			
5	Others, please specify			
	Total		145200	145200

• **PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: N.A**

Type	Section of The companies Act	Brief description	Details of Penalty/ Punishment/ fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	
Punishment	NIL	NIL	NIL	NIL	NIL

Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other Officers In Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

FORM AOC-2
(ANNEXURE B TO THE REPORT OF BOARD OF DIRECTORS)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS

Sr No	NAME OF RELATED PARTIES	NATURE AND VALUE OF CONTRACT/ ARRANGEMENT	AMOUNT
1	Pooja H Mehta	Managerial Remuneration & Salary	
2	Kishore V Shah	Managerial Remuneration & Salary	
3	Hiten R Mehta –Director	Sub-Brokerages Paid	
4	Kishore V Shah – Whole Time Director & CFO	Sub-Brokerages Paid	
5	Hiten R Mehta –Director	Salaries	
6	Hiten R Mehta –Director	Managerial Remuneration & Salary	

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. 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.

2. BUSINESS OVERVIEW

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

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

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

3. FINANCIAL HIGHLIGHTS:

- Paid up Share Capital of the Company as on 31 March 2019, stands at 21, 08, 00,000 divided into 21, 08, 00,00 number of equity Shares of Rs. 10/- each fully –paid up.
- The amounts, as on ended of financial year in, Share Premium account is Rs. 3,04,00,000 , General Reserves is Rs.53,50,000 and Surplus in Profit and Loss accounts is Rs. -3,99,35,052.
- Income from operation stood at Rs. 63,54,93,816/- for fiscal 2019.
- Profit/Loss before Taxes of fiscal 2019 was Rs. -4,02,53,087.
- Basic Earnings per Share for fiscal 2019 was Rs -1.89.
- Net Worth of the company stood at Rs.17,46,57,251/- as on March 2018.

4. 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.

5. 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.

6. 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.

7. 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.

8. 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.

Registered Office:

101, B Wing -Haridarshan Building,
BhogilalPhadia Road Near S V P Primary School,
Kandivali (West),Mumbai – 400067

Place: Mumbai

Date: 05.09.2019

By order of the Board

Sd/-
KISHORE VITHALDAS SHAH
Executive Director& CFO

**AUDITOR AUDITORS' CERTIFICATE ON CORPORATE
GOVERNANCE**

To,
The Board of Directors
ALACRITY SECURITIES LIMITED

To
The Members of
Alacrity Securities Limited
Mumbai

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance for the year ended 31st March, 2019 as stipulated in the relevant provisions of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015 (Listing Regulations) as referred in 27(2) of Listing Regulations for the period 1st April 2018 to 31st March, 2019.

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

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

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

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

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

Place: Mumbai
Date: 14.08.2019

For ABN & Co.
Chartered Accountants
F.R. No: 004447C

CA. S.C. Kabra
(Partner)
M. No 035604

FORM NO. MR-3
(ANNEXURE C TO THE REPORT OF BOARD OF DIRECTORS)

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019
[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ALACRITY SECURITIES LIMITED

(CIN: L99999MH1994PLC083912)

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 areas on able 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, here by report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2019** has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, except to those mentioned below 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 **Alacrity Securities Limited** for the **financial year ended on 31st March, 2019** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable**

- (iv) The following Regulations and Guidelines prescribed under the Securities and exchange Board of India Act,1992 ('SEBI Act');

- i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011 - **Not Applicable to the Company during the period under review**
- ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 - **Not Applicable to the Company during the period under review.**
- iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not Applicable to the Company during the period under review**
- iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not Applicable to the Company during the period under review**
- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable to the Company during the period under review**
- vi. 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 - **Not Applicable to the Company during the period under review**

- vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 - **Not Applicable to the Company during the period under review**
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not Applicable to the Company during the period under review**

The management has identified and confirmed that apart from Companies Act, 2013; SEBI Act & Income-Tax Act, 1961, no other laws is specifically applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd,;

During the period under review and as per representations and clarifications provided by the management, I confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreement etc. mentioned hereinabove.

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in the Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review, other than those mentioned in the Director Report. Adequate notice is given to all directors to schedule the Board Meetings 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. Since Minutes books is not updated, hence we cannot comment whether majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

(JAYMIN MODI & Co.)
Practicing Company Secretaries
C P No. 16948

Date: 30/05/2019
Place: Mumbai

Note:

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

ANNEXURE – A TO SECRETARIAL AUDIT REPORT

To,
The Members,
ALACRITY SECURITIES LIMITED
(CIN: L99999MH1994PLC083912)

Our Secretarial Audit Report dated **30th May 2019** is to be read with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to make a report based on the secretarial records produced for 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 report.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.
4. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. This 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.

(JAYMIN MODI & Co.)
Practicing Company Secretaries
C P No. 16948

Date: 30th May 2019
Place: Mumbai

CORPORATE GOVERNANCE REPORT
(ANNEXURE D TO THE REPORT OF BOARD OF DIRECTORS)

The report on Corporate Governance states compliance as per requirements of the Companies Act, 2013, SEBI (LODR), Regulations, 2015, as applicable to the Company. Given below are the Company's Corporate Governance policies and practices for 2018-19 and the Company has complied with all the statutory and regulatory requirements as stipulated in the applicable laws.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's philosophy on Corporate Governance has been developed with a tradition of fair and transparent governance even before they were man-dated by the legislation. Transparency, integrity, professionalism and accountability - based values form the basis of the Company's philosophy for Corporate Governance. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

BOARD OF DIRECTORS:

The Company is managed by well- qualified professionals. All directors are suitably qualified, experienced and competent. The members of the Board of Directors are persons with considerable experience and expertise in Audit, Accounts, Finance, Administration and Marketing. The Company is benefitted by the experience and skills of the Board of Directors. The Independent Directors have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the company which could have potential conflict of interest with the company at large. The Company has a Code of Conduct for Directors and Senior Management personnel. The code is available on the official website of the www.mokshornaments.com.

Composition of board and changes therein: The Board of directors is duly constituted and consists of the following directors namely:

Sr No.	Name of the Director	DIN	Designation
1	Hiten Ramniklal Mehta	01875252	Non-Executive - Non Independent Director
2	Kishore Vithaldas Shah	01975061	Executive Director
3	Pooja Hemanshu Mehta	03498526	Executive Director
4	Ankur Mahesh Mehta	06838230	Non-Executive - Independent Director

ORDERLY SUCCESSION TO BOARD AND SENIOR MANAGEMENT:

The Board of the Company satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

CODE OF CONDUCT:

Regulations 17(5) of the SEBI (LODR) Regulations, 2015, requires listed Companies to lay down a Code of Conduct for its Directors and Senior Management, incorporating duties of a Directors as laid down in the Companies Act, 2013. The Board has adopted a Code of Conduct for all Directors and Senior Management of the Company and the same has been placed on Company's website.

MAXIMUM TENURE OF INDEPENDENT DIRECTORS:

The maximum tenure of Independent Directors is in accordance with the Companies Act, 2013 and Regulation 25(2) of the SEBI (LODR) Regulations, 2015.

DIRECTORS' INTEREST IN THE COMPANY:

Sometime, the Company does enter into contracts with companies in which some of the Directors of the Company are interested as director or member. However, these contracts are in the ordinary course of the Company's business without giving any specific weight age to them. Directors regularly make full disclosures to the Board of Directors

regarding the nature of their interest in the companies in which they are directors or members. Full particulars of contracts entered with companies in which directors are directly or indirectly concerned or interested are entered in the Register of Contracts maintained under Section 189 of the Companies Act, 2013 and the same is placed in every Board Meeting for the noting of the Directors.

RESPONSIBILITIES & FUNCTIONS OF BOARD OF DIRECTORS:

The Board of Directors of the listed entity shall have the following responsibilities:

(i) Disclosure of information:

1. Members of Board of Directors and key managerial personnel shall disclose to the Board of directors whether they, directly, indirectly, or on behalf of third parties, have a material interest in any transaction or matter directly affecting the listed entity.
2. The Board of Directors and senior management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.

(ii) Key functions of the Board of Directors-

1. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.
2. Monitoring the effectiveness of the listed entity's governance practices and making changes as needed.
3. Selecting, compensating, monitoring and, when necessary, replacing key managerial Personnel and overseeing succession planning.
4. Aligning key managerial personnel and remuneration of board of directors with the longer-term interests of the listed entity and its shareholders.
5. Ensuring a transparent nomination process to the board of directors with the diversity of thought, experience, knowledge, perspective and gender in the board of Directors.
6. Monitoring and managing potential conflicts of interest of management, members of the Board of Directors and shareholders, including misuse of corporate assets and abuse in related party transactions.
7. Ensuring the integrity of the listed entity's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
8. Overseeing the process of disclosure and communications
9. Monitoring and reviewing Board of Director's evaluation framework.

(iii) Other responsibilities:

1. The Board of Directors shall provide strategic guidance to the listed entity, ensure effective monitoring of the management and shall be accountable to the listed entity and the shareholders.
2. The Board of Directors shall set a corporate culture and the values by which executives throughout a group shall behave.
3. Members of the Board of Directors shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the listed entity and the shareholders.
4. The Board of Directors shall encourage continuing directors training to ensure that the members of Board of Directors are kept up to date.

5. Where decisions of the Board of Directors may affect different shareholder groups differently, the Board of Directors shall treat all shareholders fairly.
6. The Board of Directors shall maintain high ethical standards and shall take into account the interests of stakeholders.
7. The Board of Directors shall exercise objective independent judgment on corporate affairs.
8. The Board of Directors shall consider assigning a sufficient number of non- executive members of the Board of Directors capable of exercising independent judgment to tasks where there is a potential for conflict of interest.
9. The Board of Directors shall ensure that, while rightly encouraging positive thinking,
10. These do not result in over-optimist that either leads to significant risks not being recognized or exposes the listed entity to excessive risk.
11. The Board of Directors shall have ability to 'step back' to assist executive management by challenging the assumptions underlying: strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the listed entity's focus.
12. When committees of the Board of Directors are established, their mandate, composition and working procedures shall be well defined and disclosed by the Board of Directors.
13. Members of the Board of Directors shall be able to commit themselves effectively to their responsibilities.
14. In order to fulfill their responsibilities, members of the Board of Directors shall have access to accurate, relevant and timely information.
15. The Board of Directors and senior management shall facilitate the independent Directors to perform their role effectively as a member of the Board of Directors and also a member of a committee of Board of Directors.

PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015, the Board has carried out an annual evaluation of its own performance, and that of its Committees and individual directors. Manner in which such formal annual evaluation was made by the Board is given below:

- Performance evaluation criteria for Board, Committees of the Board and Directors were approved by the Board at its meeting. The criteria are placed on the Company's website www.mokshornaments.com
- The report of performance evaluation so arrived at was then noted and discussed by the Nomination and Remuneration Committee and Board at their meetings held.

Under law, as per the report of performance evaluation, the Board shall determine, inter alia, whether to continue the term of appointment of the independent director. During the year under review, there was no occasion to decide on the continuance of the term of appointment of any of the independent directors and hence, the question of taking a decision on their re -appointment did not arise. Details on the evaluation carried out by the independent directors at their meeting held on 31st March, 2019 have been furnished in a separate Para elsewhere in this Report.

The Board of Directors is collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non -Executive Directors consistent with the requirements of law;

- professional qualifications, expertise and experience in specific area of business;
- balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties; personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

REMUNERATION OF DIRECTORS:

Pecuniary transactions with non-executive directors:

During the year under review, there were no pecuniary transactions with any non-executive director of the Company. The register of contracts is maintained by the Company pursuant to section 189 of the Companies Act, 2013. The register is signed by all the directors present at the respective Board meetings.

CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee corporate governance framework of the Company. As stated earlier, the Remuneration Policy, inter alia, disclosing criteria of making payments to directors, key managerial personnel and employees is placed on www.mokshornaments.com.

NON-EXECUTIVE DIRECTORS:

Non-executive directors are paid sitting fees and commission.

MANAGING DIRECTOR:

During the year under review, the Company paid remuneration to the Managing Director of the Company as provided in detail in an annexure to the Directors' Report in Form MGT-9, i.e. extract of the Annual Return. Managing Director is entitled to superannuation benefits payable in the form of an annuity from an approved life insurance company, which form part of the perquisites allowed to him. No pension is paid by the Company.

COMPLIANCES REGARDING INSIDER TRADING:

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 Ms. Aditi Agarwal, Compliance officer under the code.

The Code referred to in (a) above is placed on the Company's website www.alacritysec.com

FAMILIARIZATION OF INDEPENDENT DIRECTORS:

The details of familiarization program for Independent Directors have been disclosed on website of the Company. In addition to the extensive induction and training provided as part of the familiarization program, the Independent Directors are also taken through various business and functional sessions in the Board meetings including the Board meetings to discuss strategy. The details of Directors' induction and familiarization are

available on the Company's website.

MEETINGS OF THE BOARD OF DIRECTOR:

During FY 2018-2019, four meetings of the Board of Directors were held on the following dates:

- 30th May, 2018
- 21st August, 2018
- 14th November, 2018
- 6th February, 2019

Name of Director	Director Identification Number	Category	Board Meetings	
			Held	Attended
Hiten Ramniklal Mehta	01875252	Non-Executive - Non Independent Director	4	4
Kishore Vithaldas Shah	01975061	Executive Director	4	4
Pooja Hemanshu Mehta	03498526	Executive Director	3	3
Ankur Mahesh Mehta	06838230	Non-Executive - Independent Director	4	4

The intervening gap between the meetings was within the period prescribed under section 173 of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014, relevant circulars, notifications, orders and amendments thereof.

COMMITTEES OF THE BOARD:

The Board Committee plays a crucial role in the governance structure of the Company and has been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committee are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee meetings.

The Board has constituted following Committees of Directors:

- Audit Committee,
- Nomination & Remuneration Committee, and
- Stakeholder's Relationship Committee.

- **AUDIT COMMITTEE:**

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section.

➤ **COMPOSITION:**

NAME OF THE DIRECTORS	CATEGORY OF DIRECTORSHIP	REMARKS	NUMBER OF MEETINGS	
			Held	Attended
Mr. Ankur M Mehta	Non-Executive Independent Director	Chairman	4	4
Mr. Jai Prakash Jindal	Non-Executive Independent Director	Member	4	4
Mrs. Pooja H Mehta	Executive Director	Member	4	4

➤ **TERMS OF REFERENCE:**

The broad terms of reference of the Audit Committee are as under:

- Reviewing of the Company's financial reporting process and the disclosure of its financial information
- To ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment, remuneration and terms of appointment of external Auditor.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Monitoring the end use of funds raised through public offers and related matters.
- Reviewing with management the Annual financial statements and half yearly and Quarterly financial results before submission to the Board.
- Reviewing periodically the adequacy of the internal control system.
- Discussions with Internal Auditor on any significant findings and follow up there on.

• **NOMINATION AND REMMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of Directors was constituted pursuant to the provisions of Section 178 of the Companies Act, 2013. The Composition of the Committee is in conformity with the provisions of the said Section.

➤ **COMPOSITION:**

NAME OF THE DIRECTORS	CATEGORY OF DIRECTORSHIP	REMARKS	NUMBER OF MEETINGS	
			Held	Attended
Mr. Ankur M Mehta	Non-Executive Independent Director	Chairman	1	1

Mr. Jai Prakash Jindal	Non-Executive Independent Director	Member	1	1
Mr. Hiten R Mehta	Non-Executive & Non-Independent Director	Member	1	1

➤ **TERMS OF REFERENCE:**

The broad terms of reference of the Nomination and Remuneration Committee are asunder:

- Formulation of the criteria for determining the qualifications, positive attributes and independence of Director;
- Devising a policy on Board diversity;
- Formulation of Remuneration policy;
- Review the structure, size and composition of the Board;
- Identifying and selection of candidates for appointment as Directors;
- Identifying potential individuals for appointment as Key Managerial Personnel and Senior Management;
- Formulation of criteria for evaluation of Independent Directors and the Board.

• **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee of Directors was constituted pursuant to the provisions of Section 178(5) of the Companies Act, 2013. The composition of the Committee is in conformity with the provisions of the said section.

➤ **COMPOSITION:**

NAME OF THE DIRECTORS	CATEGORY OF DIRECTORSHIP	REMARKS	NUMBER OF MEETINGS	
			Held	Attended
Mr. Hiten R Mehta	Non-Executive & Non-Independent Director	Chairman	1	1
Mrs. Pooja H Mehta	Executive Director	Member	1	1
Mr. Ankur M Mehta	Non-Executive - Independent Director	Member	1	1

➤ **DETAILS OF INVESTOR'S GRIEVANCES/ COMPLAINTS:**

The Company has not received any complaints during the year. The pending complaints of the Shareholders/Investors registered with SEBI at the end of the current financial year ended on 31st March, 2019 are NIL.

➤ **VIGIL MECHANISM & WHISTLE BLOWER POLICY**

The company has established vigil mechanism for the directors and employees to report their genuine concerns or grievances, details of adequate safeguards provided against victimisation of employees and directors who avail of the vigil mechanism, mechanism of providing for direct access etc, as

provided in rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, read with corresponding rules, circulars, notifications, orders and amendments thereof.

➤ **COMPLIANCE OFFICER:**

Ms.Aditi Agarwal is the compliance Officer of the Company for the above purpose.

COMPANY'S POLICY RELATING TO PAYMENT OF REMUNERATION TO DIRECTORS:

The Board determines the remuneration payable to the Executive Directors taking into account their qualification, expertise and contribution and based on recommendations of the Nomination and Remuneration Committee. Non- Executive Directors are eligible to receive sitting fees for attending Board / Committee Meetings as decided by the Board within the limits prescribed under the Companies Act, 2013.

The Remuneration policy of the Company is as under:

➤ **REMUNERATION TO NON-EXECUTIVE DIRECTORS:**

A Non-Executive Director is eligible to receive sitting fees for each meeting of the Board or Committee of the Board attended by him/her, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act and the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014.

➤ **REMUNERATION TO EXECUTIVE DIRECTORS:**

The Board in consultation with the Nomination & Remuneration Committee decides the structure for Executive Directors. On the recommendation of the Nomination & Remuneration Committee the Remuneration paid/payable is approved by the Board of Directors and by the members in the General Meeting in terms of provisions applicable from time to time.

SHARE TRANSFER SYSTEM:

The Share transfer is processed by the Registrar & Share Transfer Agent and approved by Share Transfer Committee, if the documents are complete in all respects, within 21 days from the date of lodgment.

SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

SEBI vide circular dated 3rd June, 2011 introduced SCORES, i.e., SEBI Complaints Redress System the system of processing of investors complaints in a centralized web based complaints redress portal known as 'SCORES'. The salient features of this system are: centralized database of all Complaints, online upload Action Taken Reports (ATRs) by concerned Companies and online viewing by investors of action taken on the complaints and its current status. The Company is registered with SEBI under the SCORES system.

ISIN No

The Company's Demat International Security Identification Number (ISIN) for its equity shares in CDSL and NSDL is **INE030P01017**.

SHAREHOLDING PATTERN:

Sr. Nos.	Category	As on 31 st March, 2018		As on 31 st March, 2019	
		No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding
A	Promoters	-	-	-	-

1.	Individuals/HUF	1,09,35,700	51.88	1,09,35,700	51.88
	Bodies Corporate	5,36,000	2.54	7,76,000	3.68
	Any Others(Specify)	NIL	NIL	NIL	NIL
	TOTAL (A)	1,14,71,700	54.42	1,17,11,700	55.56
B	Public Shareholding	-	-	-	-
1.	Institutions	NIL	NIL	NIL	NIL
	Foreign Institutional Investors	NIL	NIL	NIL	NIL
2.	Non-Institutions	NIL	NIL	NIL	NIL
	Bodies Corporate	NIL	NIL	NIL	NIL
(a)	Individual Shareholders holding up to Rs.2 Lac	14,74,600	7.00	14,06,578	6.67
(b)	Individual Shareholders holding above Rs.2 Lac	79,38,700	37.6	77,90,700	36.96
	NRIs / HUF's / Clearing Members/Bodies corporate	1,95,000	0.93	1,71,022	0.81
	TOTAL (B)	96,08,300	45.58	93,68,300	44.44
	TOTAL (A+B)	2,10,80,000	100.00	2,10,80,000	100.00

ADDRESS FOR CORRESPONDENCE:

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ALACRITY SECURITIES LIMITED

101, Haridarshan, B-Wing, Bhogilal Phadia Road,
Kandivali (E), Mumbai – 400067. (Maharashtra)

Email ID: alacritysec@gmail.com

RECONCILIATION OF SHARE CAPITAL AUDIT:

A practicing Company Secretary carries out reconciliation of share capital audit, on half -yearly basis to reconcile the total admitted capital with NSDL & CDSL and total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL & CDSL.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this financial statement relate and the date of this report.

Registered Office:

101, B Wing -Haridarshan Building,
BhogilalPhadia Road Near S V P Primary School,
Kandivali (West),Mumbai – 400067

By order of the Board

Sd/-

KISHORE VITHALDAS SHAH
Executive Director& CFO

Place: Mumbai

Date: 05.09.2019

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of Alacrity Securities Limited Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of Alacrity Securities Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in the basis for Qualified Opinion paragraph as below, the aforesaid financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March 2019 and its profit and its cash flows for the year ended on that date.

Basis for Qualified Opinion

The Company is not accounting for liability for gratuity and leave encashment as required under accounting standard 15 (AS-15) relating to employees Benefits as referred to in Note 26 of Notes to accounts. We are unable to comment upon the resultant effect on assets, liabilities and loss for the year as the amount of such benefit is presently not ascertainable.

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis Board's Report, Report on Corporate governance and Business Responsibility report but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise

appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

1. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
2. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
3. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 4. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 5. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication..

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the 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.

(d) The Standalone financial statements dealt with by this Report are in agreement with the books of account.

(e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards as 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 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

(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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 to the financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

3 In respect of companies where managerial remuneration is within limit :

With respect to the matter to be included in the Auditors' Report under section 197(16): In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place: Mumbai
Date: May 30, 2019

For ABN & Co.
Chartered Accountants
F.R. No: 004447C

CA. S.C. Kabra
(Partner)
M. No 035604

Annexure A to the Auditor's Report

Referred in paragraph 1 of Our Report of even date to the members of Alacrity Securities Limited on the financial statements as of and for the year ended 31st March, 2019

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

- i. (a). The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
(b). As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;
(c). According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of company
- ii. (a) The inventories have been confirmed by the management with the statement of holding provided by the depository participant at regular intervals.
(b) In our opinion, the procedure of confirmation of securities held as stock in trade and the procedures followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory, there is no discrepancies noticed on verification of inventory.
- iii. The company has not granted any loan, secured or unsecured to companies, firms or other covered parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 185 and section 186 of the act, in respect of loans, Investment, guarantees and security.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- vi. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.
- vii. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the activities of the company
- viii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, Goods and Service 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, Goods and Service Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes except as given below:

Name of the Statute	Nature of Dues	Amount (in Lakhs)	Assessment Year to which the matters pertains	Forum where dispute is pending
Income Tax Act	Income Tax	8.98	A.Y. 2013-14	CIT(A) Mumbai

- (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- x. According to the information and explanations given to us and based on our examination of the records of the company, the company paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the act
- xi. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xiv. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. The Company is not required to be registered under section 45-IA of Reserve Bank of India Act 1934.

For ABN & Co.
Chartered Accountants
F.R. No: 004447C

Place: Mumbai
Date: May 30, 2019

CA. S.C. Kabra
(Partner)
M. No 035604

Annexure B to the Auditor's Report

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

We have audited the internal financial controls over financial reporting of Alacrity Securities Limited as of 31st March 2019 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over financial reporting issued by Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide

reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Mumbai
Date: May 30, 2019

For ABN & Co.
Chartered Accountants
F.R. No: 004447C

CA. S.C. Kabra
(Partner)
M. No 035604

BALANCE SHEET AS ON 31st MARCH, 2019

	Particulars	Note No.	As at 31/03/2019		As at 31/03/2018	
			Rs.	Rs.	Rs.	Rs.
I.	EQUITY AND LIABILITIES					
	Shareholders' Funds					
(a)	Share Capital	2	21,08,00,000		21,08,00,000	
(b)	Reserves and Surplus	3	1,42,23,555	22,50,23,555	5,41,58,606	26,49,58,606
	Non - current liabilities					
(a)	Long term borrowings	4	19,12,646		27,22,896	
(b)	Deferred tax liabilities (Net)	5	4,39,879	23,52,525	4,56,685	31,79,581
	Current Liabilities					
(a)	Short Term Borrowings	6	14,17,86,591		5,41,27,876	
(b)	Trade Payables	7	5,40,11,626		6,84,30,150	
(c)	Other Current Liabilities	8	23,03,832		23,49,406	
(d)	Short Term Provisions	9	1,38,97,713	21,19,99,762	1,45,97,713	13,95,05,145
	TOTAL			43,93,75,842		40,76,43,332
II.	ASSETS					
	Non - current assets					
(a)	Fixed Assets					
(i)	Tangible assets	10	1,08,11,607		99,40,629	
(ii)	Intangible assets		96,581		1,06,671	
			1,09,08,188		1,00,47,301	
(b)	Non - current investments	11	5,09,75,619		4,04,36,169	

(c)	Long Term Loans & Advances	12	78,24,655	6,97,08,462	81,62,166	5,86,45,636
	Current Assets					
(a)	Inventories	13	14,76,69,863		10,05,74,758	
(b)	Trade receivables	14	1,20,04,552		5,54,02,002	
(c)	Cash and cash equivalents	15	13,76,86,222		12,42,44,445	
(d)	Short term loans and advances	16	6,85,40,685		6,61,59,662	
(e)	Other Current Assets	17	37,66,058	36,96,67,380	26,16,829	34,89,97,696
	TOTAL			43,93,75,842		40,76,43,332
	Significant Accounting Policies	1				
	Notes to the Financial Statement	1 to 34				

In Accordance with our Report attached

For ABN & Co.

For and on behalf of the Board

Chartered Accountants

Firm Registration No.004447C

(S C KABRA)

Pooja H Mehta

(Partner)

Whole Time Director

M No. 035604

Place: Mumbai

Date: 30.05.2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2019

Particulars	Note	2018-19		2017-18	
		No.	Rs.	Rs.	Rs.
Revenue from Operations	18		63,54,93,816		75,37,27,344
Other Income	19		85,62,384		94,26,226
Total Revenue			64,40,56,200		76,31,53,570
Expenses					
Purchase of Shares			70,21,38,065		74,35,07,382
Changes in inventories of finished goods	20		-4,70,95,105		-1,99,27,442
Employee benefits expense	21		49,93,556		38,96,624
Finance costs	22		99,99,218		80,44,265
Depreciation and amortization expenses	23		14,32,548		27,07,828
Other expenses	24		1,28,41,004		1,96,09,006
Total Expenses			68,43,09,286		75,78,37,663
Profit / (-) Loss before tax			-4,02,53,087		53,15,908
Tax expense:					
Current tax			-3,01,229		9,83,183
Deferred tax			-16,806		-16,17,153
MAT Credit (Entitlement)/ availed					-9,83,183
			-3,18,035		-16,17,153
Net Profit / (-) Loss for the Year			-3,99,35,052		69,33,062
Earning per equity share:					
Basic & Diluted in Rs (Par Value of			-1.89		0.33

Rs 10 Per Share)					
Significant Accounting Policies	1				
Notes to the Financial Statement			1 to 34		

In Accordance with our Report attached

For ABN & Co.

Chartered Accountants

Firm Registration No. 004447C

**For and on behalf of the
Board**

(S C KABRA)

(Partner)

M No. 035604

Pooja H Mehta

Whole Time Director

Place: Mumbai

Date: 30.05.2019

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2019.

Sr.No	Particulars	For the year ended March 2019		For the year ended March 2018	
A	CASH FLOW FROM OPERATING ACTIVITIES				
1)	Net Profit Before Tax		-4,02,53,087		53,15,908
2)	Adjustments for:				
	Depreciation and Amortization Expenses	14,32,548		26,57,743	
	loss/(profit) on sale of fixed assets	-		-56,31,106	
	Finance Costs	99,99,218		80,44,265	
	investment written off	-		-	
	Loss/(profit) on sale of investments	-		41,88,742	
	Dividend Income	(3,15,765)		(1,44,352)	
	Interest Income	(81,71,564)		(76,90,421)	
	Short Term capital Loss	-		-	
			29,44,437		14,24,872
	Operating profit before working capital changes		-3,73,08,649		67,40,780
3)	Adjustments for:				
	Decrease/(increase) in trade receivables	4,33,97,450		-3,31,58,566	
	Decrease/(increase) in inventories	(4,70,95,105)		-1,99,27,442	
	Decrease/(increase) in short term loans & advances	(24,42,280)		-4,10,631	
	Decrease/(increase) in other current assets	(11,49,229)		-4,10,546	
	Increase/(decrease) in trade payable	(1,44,18,524)		4,13,44,737	
	Increase/(decrease) in short term borrowings	8,76,58,715		35,03,374	
	Increase/(decrease) in other liabilities	(45,574)	6,59,05,452	(7,09,788)	(97,68,861)
	Cash generated from operation		2,85,96,803		-30,28,081
4)	Taxes Paid (net)		-		-
	Net cash from operating activities	A	2,85,96,803	A	-30,28,081
B	CASH FROM INVESTING ACTIVITIES				
1)	Purchase of fixed assets	(22,93,437)		(5,51,206)	
2)	Purchase of intangible assets	-		-	
3)	Sale/disposal of fixed assets	-		65,10,000	
4)	Purchase of current and non current investments	(1,05,39,450)		(9,77,608)	
5)	Proceeds from sale of current and non current investments	-		1,85,06,075	
6)	Dividend on investments	3,15,765		1,44,352	
7)	Interest received	81,71,564		76,90,421	
8)	Proceeds from other non current Assets	-		-	
			-43,45,558		3,13,22,033
	Net Cash form /(used in) investing activities	B	-43,45,558	B	3,13,22,033

C	CASH FLOW FROM FINANCING ACTIVITIES				
1)	Interest and finance cost paid	(99,99,218)		(80,44,265)	
2)	Proceeds from borrowing (net)	(8,10,250)		(7,26,212)	
3)	Proceeds of issue of share	-		-	
4)	Dividend Paid	-		-	
5)	Tax on distributed Profits	-		-	
6)	Preliminary Expences Paid	-		-	
	Net Cash from/(used in) financing activities	C	(1,08,09,468)	C	(87,70,477)
	Net increase in cash and cash equivalents	(A+B+C)	1,34,41,777	(A+B+C)	1,95,23,475
	Cash and cash equivalents as at the beginning of the year	12,42,44,445		10,47,20,970	
	add: cash and cash equivalents taken over amalgamation	-		-	
	Cash and cash equivalents as at the closed of the year	13,76,86,222	1,34,41,777	12,42,44,445	1,95,23,475

In Accordance with our Report attached

For ABN & Co.

Chartered Accountants

Firm Registration No. 004447C

(S C KABRA)

(Partner)

M No. 035604

Place: Mumbai

Date: 30.05.2019

**For and on behalf of the
Board**

Pooja H Mehta

Whole Time Director

NOTES TO ACCOUNTS

NOTE NO. 1 : STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation

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

1.2 Use of Estimates

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

1.3 Fixed Assets:

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

1.4 Depreciation:

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

1.5 Investments:

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

1.6 Inventory

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

1.7 Revenue Recognition:

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

1.8 Taxes on Income:

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

1.9 Employees Benefit

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

1.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is Probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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

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

1.11 Earnings Per Share

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

NOTE NO. 2 : SHARE CAPITAL:					
		As at 31/03/2019		As at 31/03/2018	
		No.	Rs	No.	Rs
	Authorized:				
	Equity shares of Rs. 10/- each (P.Y. Rs. 100/- each)	22000000	220000000	22000000	220000000
		22000000	220000000	22000000	220000000
	Issued, subscribed and fully paid up:				
	<i>Equity shares of Rs. 10/- each (P.Y. Rs. 100/- each)</i>				
	At the beginning of the reporting period	2,10,80,000	21,08,00,000	21080000	210800000
	Issued during the reporting period				
	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	0	0
	Bought back during the reporting period		0		0
	At the close of the reporting period	21080000	210800000	21080000	210800000
	Other Information:				
	The company has only one class of shares referred to as equity shares having a face value of RS. 10/-. Each holder of equity shares is entitled to one vote per shares.				

III	Details of shares holders holding more than 5% shares	No of Shares	% of Holding	No of Shares	% of Holding
a.	Pooja H Mehta	10776700	51.12	10336700	49.04

NOTE NO. 3 : RESERVES AND SURPLUS:

					In Rs.
	Particulars	SHARE PREMIUM	Genral reserves	Surplus balance in Statement of Profit & Loss	Total
	At the beginning of the reporting period	3,04,00,000	53,50,000	1,84,08,607	5,41,58,607
	Transferred from/to Profit & Loss Account	-	-	-39935052	-39935052
	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	-	-		
	Adjustment relating to Fixed Assets(Refer Sch 10)	-	-		
	At the close of the reporting period	3,04,00,000	53,50,000	-2,15,26,445	1,42,23,555
	At the close of the previous reporting period	3,04,00,000	53,50,000	1,84,08,606	5,41,58,606

NOTE NO. 4: LONG TERM BORROWINGS

				In Rs.
		Particulars	As at 31/03/2019	As at 31/03/2018
1)	I)	Secured Loans:		
	a.	Term Loans		
	(i)	Vehicle Loan		
		- from Banks	2722896	3449108
			2722896	3449108
		Amount Disclosed under the Head "Other Current Liabilities"	810250	726212
		(Note :8)	1912646	2722896

			Additional Information:		
			Details of security for secured loans		
			Vehicle loan is secured against hypothecation of Vehicles		

NOTE NO. 5 : DEFERRED TAX ASSETS & LIABILITIES

			Particulars		
i)	I)	Deferred tax liability:			
		a)	On account of depreciation on fixed assets	439879	456685
			Total	439879	456685

NOTE NO. 6 : SHORT TERM BORROWINGS

I)	Secured Loans:			
	a)	Working Capital Loan		
		Against FDR	8,26,76,053	5,41,07,982
		Against Properties	34,84,817	-
		- from banks		
		Against Shares		
		- from banks	1,50,25,721	19,894
I)	Unsecured Loans:			
		From Director	16,00,000	
		From Others	3,90,00,000	
		Total	14,17,86,591	5,41,27,876
Additional Information :				
	i	Loan against FDR is secured by way of lien of FDRs		
	ii	Loan against Motagage of Properties at 101/102 Hari Darshana,Bogilal Fadia Road,Kandivali West Mumbai - 400067		
	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		
	iv	Vehicle loan is secured against hypothecation of Vehicles		

NOTE NO. 7: TRADE PAYABLES:

	i)	To Micro, Small and Medium Enterprises	-	-
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	ii)	Others (Amt Due to Clients, Margin & Exchange)	5,40,11,626	6,84,30,150
			5,40,11,626	6,84,30,150

NOTE NO. 8 : OTHER CURRENT LIABILITIES:

		Current maturities of Long-term Borrowings (Refer Note:6)		
	a)	Vehicle Loan		
		- from banks	8,10,250	7,26,212
			8,10,250	7,26,212
	b)	Liabilities for Expenses	8,53,970	3,33,183
	c)	Statutory Liabilities & outstanding Exp	2,53,779	2,35,419
	d)	Bank Book Overdraft	-	2,09,756
	e)	Advance Market Maker Fees Received	3,85,833	8,44,836
			23,03,832	23,49,406

NOTE NO. 9 : SHORT TERM PROVISIONS:

	a)	Provision for Taxation	1,38,97,713	1,45,97,713
			1,38,97,713	1,45,97,713

NOTE NO. 10: FIXED ASSETS:

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As on 01/04/ 2018	Additi ons for the year	Deduct ions during the year	As on 31/03/ 2019	As on 01/04/ 2018	For the year	Deduct ions during the year	As on 31/03/ 2019	As on 31/03/ 2019	As on 31/03/ 2018
Tangible Assets										
Own assets										
Office Premises	52,71,867	-		52,71,867	10,66,197	83,594	-	11,49,791	41,22,076	42,05,670
Computers	17,31,523	56,000	-	17,87,523	15,96,835	43,654	-	16,40,490	1,47,033	1,34,688
Furniture & Fixtures	20,89,521	11,57,375	-	32,46,896	17,59,142	1,89,075	-	19,48,217	12,98,679	3,30,379
Vehicles	1,13,97,301	-	-	1,13,97,301	66,30,154	9,29,451	-	75,59,606	38,37,695	47,67,147
Office	15,04,7	7,32,4	-	22,37,1	10,98,4	1,37,9	-	12,36,4	10,00,7	4,06,35

Equipment	82	07		89	25	74		00	89	6
Electrical Inst	8,70,849	-	-	8,70,849	8,20,964	2,296	-	8,23,260	47,589	49,885
Air Condition	9,30,106	3,47,655	-	12,77,761	8,83,601	36,414	-	9,20,015	3,57,746	46,505
	2,37,95,949	22,93,437	-	2,60,89,386	1,38,55,319	14,22,458	-	1,52,77,778	1,08,11,607	99,40,629
Intangible assets										
Computer Software	18,92,808	-	-	18,92,808	17,86,137	10,090	-	17,96,227	96,581	1,06,671
	18,92,808	0	-	18,92,808	17,86,137	10,090	-	17,96,227	96,581	1,06,671
TOTAL	2,56,88,757	22,93,437	-	2,79,82,194	1,56,41,456	14,32,548	-	1,70,74,006	1,09,08,188	1,00,47,301
Previous Year	3,07,48,190	5,51,206	56,10,639	2,56,88,757	1,83,12,135	20,61,066	47,31,745	1,56,41,456	1,00,47,301	1,24,36,056

NOTE NO. 11 : NON CURRENT INVESTMENTS:

Details of Investments		Face Value	As at 31/03/2019	As at 31/03/2018
Investments in Equity Instruments: (quoted)				
Associates				
	Odyssey Corporation Ltd. (Qty 2025494, PY. 2025494)	5	3,30,45,443	3,30,45,443
Other Non Current Investments (quoted)				
	U. H. ZAVERI LIMITED (Qty 186000, PY. - NIL)	10	49,29,450	-
	Veeram Infra Engineering Limit (Qty 110000 , P.Y - NIL)	10	56,10,000	-
	Aqua Logistic Ltd. (Qty 741355, P.Y. 741355)	10	73,78,726	73,78,726
Other non current investments (Unquoted)				
	Sheetal Co op Credit Soc Ltd. (Qty 100, P.Y. 100)	100	10,000	10,000
	Hari Darshan Co op Housing Soc Ltd (Qty 40, P.Y. 40)	100	2,000	2,000

		Total			5,09,75,619	4,04,36,169
Additional Information:						
	Aggregate value of quoted investments:					
	Cost				5,09,63,619	4,04,24,169
	Market Value				1,19,71,857	38,03,425
Aggregate value of unquoted investments:						
	Cost				12,000	12,000
NOTE NO. 12 : Long Term Loans & Advances :						
	Deposites (With Exchange& Others)				78,24,655	81,62,166
					78,24,655	81,62,166

PARTICULARS			As at 31/03/2019	As at 31/03/2018
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NOTE NO. 13 : INVENTORIES:				
	i)	Stock-in-Trade (Shares)		
		(Valued at lower of cost or Market Value)	14,76,69,863	10,05,74,758
			14,76,69,863	10,05,74,758

NOTE NO. 14 : TRADE RECEIVABLES:				
		(Unsecured considered good.)		
	i)	Trade receivables exceeding six months	26,20,651	65,14,937
	ii)	others	93,83,901	4,88,87,064
			1,20,04,552	5,54,02,002

NOTE NO. 15 : CASH AND CASH EQUIVALENTS:				
	i)	Balances with banks		
		In current Accounts	1,18,45,231	92,85,907

		In Deposites Accounts		
		- in fixed deposit accounts	12,45,85,603	11,38,32,006
		(Pledged/ lien with bank against O/D & Guarantee facility)		
	iii)	Cash on hand	12,55,388	11,26,532
			13,76,86,222	12,42,44,445

NOTE NO. 16 : SHORT TERM LOANS AND ADVANCES:

		(unsecured, considered good)		
	i)	Loans & advances & other receivable	3,92,08,522	3,74,14,533
	iii)	Advance Income Tax, TDS	1,75,55,114	1,69,72,580
	iv)	MAT Credit Entitlement	1,14,75,550	1,14,75,550
	v)	Prepaid Expensess	-	
	vi)	Staff Loan	3,01,500	2,97,000
			6,85,40,685	6,61,59,662

NOTE NO. 17 : OTHER CURRENT ASSETS

	i)	Interest Accrued on deposits	37,66,058	26,16,829
			37,66,058	26,16,829

Particulars			As at 31/03/2019	As at 31/03/2018
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NOTE NO. 17 : REVENUE FROM OPERATIONS:

	Sales		61,88,50,671	71,81,84,270
	Sale of Services		1,16,82,717	1,07,60,667
	Other Operating Revenues		33,83,644	23,65,399
	Profit / Loss in Future & Option		15,76,784	

					2,24,17,008
				63,54,93,816	75,37,27,344

NOTE NO. 19 : OTHER INCOME:

Interest Income				81,71,564	76,90,421
Dividend Income				3,15,765	1,44,352
- from long term investments					
Profit on Sale of Investment (Long Term)				-	-41,88,742
Profit on sales of Assets				-	56,31,106
Other non operating income (net of expenses directly attributable to such income, Rent, Other Income, Stamp Duty)				30,000	30,000
other non operating income (Misc Income)				45,055	1,19,090
Interest Income				85,62,384	94,26,226

NOTE NO. 20 : CHANGES IN INVENTORIES OF FINISHED GOODS, WIP AND STOCK IN TRADE:

<u>Inventories at the beginning of the year</u>				10,05,74,758	8,06,47,316
Shares					
<u>Inventories at the end of the year</u>				14,76,69,863	10,05,74,758
Shares					
-				-4,70,95,105	-1,99,27,442

NOTE NO. 21 : EMPLOYEE BENEFIT EXPENSES:

Salaries and Wages				35,07,339	27,26,221
Contribution to provident and other funds				1,17,515	1,19,319
Remuneration to whole time directors				12,72,500	9,75,250
Staff welfare & Canteen expenses				96,202	75,834

				49,93,556	38,96,624

NOTE NO. 22: FINANCE COSTS:

	Bank Interest & Charges			83,61,059	63,68,465
	Other Borrowing Cost			3,73,589	3,72,224
	Interest Paid			12,64,570	13,03,575
				99,99,218	80,44,265

NOTE NO. 23: DEPRECIATION AND AMORTIZATION:

	i)	Depreciation		14,32,548	20,61,065
	ii)	Amortization of intangible assets		-	6,46,763
				14,32,548	27,07,828

Particulars			As at 31/03/2018	As at 31/03/2018
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NOTE NO. 24: OTHER EXPENSES :

	Rent Paid			19,80,000	-
	Demat Charges & Stamp Charges			1,97,364	3,41,959
	Market Maker Fees Paid			-	-
	Security Transaction Charges			12,44,867	37,11,783
	Share Trading Exp on Pro A/c			1,61,130	17,90,232
	SEBI turnover charges			-	-
	Stock Exchange Charges			32,633	17,368
	Sub Brokerage Paid			30,42,561	41,81,374
	Transaction Charges Paid			59,463	6,21,693
	Listing & Custodian Fees			1,52,000	1,95,000
	<u>Payment to the auditors</u>				
	- for Audit fees			1,15,000	1,00,000
	- for Tax audit fees			-	-
	- for other services			-	-

Internal Audit Fees			1,00,000	1,00,000
Annual Fee to Exchanges				25,000
Annual Maintenance			2,76,891	2,67,016
Penalty & Fines			1,94,498	3,53,945
Connectivity Charges (Lease line & VSAT)			2,90,701	1,61,824
Donations			29,000	1,37,000
Electricity Exp			3,50,790	3,42,940
Insurance			1,10,147	1,56,398
Legal and professional charges			10,79,641	25,60,848
Motor Car Expenses			2,70,650	6,50,730
Repairs & Maintenance			6,38,557	7,79,095
Bad Debts				-
Society Maintance and Municipal taxes			3,54,870	3,02,365
Telephone Expenses			2,67,926	2,16,843
Travelling & Conveyance			3,26,509	4,66,721
Business Development Charges			37,075	12,77,170
Miscellaneous expenses			15,28,732	851699
Loss on sale of Investment (Short Term)			-	0
Investment Wrriten / off			-	0
			1,28,41,004	1,96,09,002

NOTE NO. 25: . CONTINGENT LIABILITIES AND COMMITMENT (TO THE EXTENT NOT PROVIDED FOR):

(Rs. in lacs)

- | | 2018-19 | 2017-18 |
|-------------------|----------------|----------------|
| i. Bank Guarantee | 649.50 | 599.50 |
- However against the same fixed deposit of Rs.324.75 Lakhs (P.Y 300 Lakhs) given as margin.
- ii. The Co. has not acknowledged the Income Tax demand of Rs.7.92 lacs for the Asst Year 1998-99.
- iii. Since re-verification before CIT (Appeals) as per ITAT Order is still pending. However the whole amount has been adjusted by the department.
- a. The company has not acknowledged the Income tax demand of Rs 8.98 Lacs for the A.Y 2013-14 and preferred an appeal before CIT (A) appeal Mumbai.

- iv. Capital Commitments: Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs 291.36 Lacs (Previous Year Rs 291.36 Lacs) against which advances paid Rs 175.00 Lacs
(Previous Year Rs 175.00 Lacs)

NOTE NO. 26:

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

NOTE NO. 27 : RELATED PARTY TRANSACTIONS.

- i) Related Parties Disclosures.

Key Management Personnel (i)	Associates Company (ii)	Relative of Key Management Personnel (iii)
Hiten R Mehta –Director	Odyssey Corporation Ltd.	1) Meeta H Mehta (Wife) 2) Sagar Mehta (Son) 3) Nipa P Sheth (Sister)
Kishore V Shah – Whole Time Director & CFO	Pooja Equiresearch Pvt Ltd.	Mihir K Shah (Son)
Nipa Prashant Sheth - Whole Time Director upto 16.08.2018		
Pooja H Mehta - Whole Time Director from 16.08.2018		

- ii) Details of the transaction with the related parties

(In Rs.)

Description	(i) above	(ii) above	(iii) above
Managerial Remuneration & Salary	1272500 (990750)	--	-- (--)
Rent Received	--	30000 (30000)	
Sub-Brokerages Paid			1868859 (1868859)

Description	Current Year	Previous Year
Managerial Remuneration & Salary		
Kishore V Shah	887250	789250
Nipa Prashant Sheth	69750	201500
Pooja H Mehta	300000	--
Total	1272500	990750
Rent Received		
Pooja Equiresearch Ltd.	30000	30000

Sub-Brokerages Paid		
Meeta Mehta	1933061	1833534
Mihir K Shah	14773	35325
Total	1947835	1868859
Salaries		
Sagar H Mehta	93000	
Nipa Prashant Sheth	54250	
Total	147250	

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

iii) Balance as on 31st March 2019

(In Rs.)

Description	(i) above	(ii) above	(iii) above
Pooja Equiresearch Pvt Ltd		--	
Trade Receivables / (-) Payable		(--)	
Odyssey Corporation Ltd		--	
Trade Receivables / (-) Payable		(204769)	

NOTE NO. 28 : EARNING PER SHARE (EPS):

	2018-19	2017-18
Net Profit	-39935052	6933062
Face value of Share	10	10
Total No. issued Shares	21080000	21080000
Earnings per Share	-1.89	0.33

NOTE NO. 29 :

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.

NOTE NO. 30 :

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

NOTE NO. 31 :

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

ATTENDANCE SLIP
25th ANNUAL GENERAL MEETING ON 30TH SEPTEMBER, 2019

Name and Address of Shareholder	Folio No.
No. of Shares	Client ID

I hereby record my presence at the 25th Annual General Meeting of the Company at 101, B Wing - Haridarshan Building, Bhogilal Phadia Road Near S V P Primary School, Kandivali (West), Mumbai - 400067, on September 30th, 2019, Monday at 12.30 P.M.

Signature of the Shareholder or Proxy

Email Address:

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report at the meeting.

FORM NO. MGT-11

PROXY FORM

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

Name of the Member(s):	
Registered address:	
E-mail Id:	
Folio No. /Client Id & DP. Id:	

I/We.....being a member / members holding..... shares of **ALACRITY SECURITIES LIMITED** hereby appoint:

1	Name:	Address:
	Email ID:	Signature:
2	Name:	Address:
	Email ID:	Signature:
3	Name:	Address:
	Email ID:	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Monday, September, 2019 at 12:30 P.M. at **101, B Wing Haridarshan Building, Bhogilal Phadia Road Near S V P Primary School, Kandivali (West), Mumbai - 400067** and at any adjournment thereof in respect of such resolutions as are indicated below:

Reso No.	Resolution	No. of Equity Share(s) held	I/We assent to the resolution (For)*	I/We dissent to the resolution (Against)*
Ordinary Businesses				
1.	To Receive, Consider and Adopt the Profit and Loss Account of the Company for the year ended 31 st March, 2019 and Balance Sheet as at that date, Cash Flow statement for the year ended 31 st March, 2019 and Report of the Directors and Auditors thereon.			
2.	To appoint a Director in place of Mr. Kishore Vithaldas Shah, who retires by rotation and being eligible offered himself for re-appointment.			
3.	To appoint a Director in place of Ms. Pooja Hemashu Mehta, who retires by rotation and being eligible offered himself for re-appointment.			
Special Businesses				
4.	Regularisation Of Additional Director, Mr. Deven Narendra Sanghavi By Appointing Him As Independent Director Of The Company			

Signed this 30th day of September, 2019

Signature(s) of the Shareholder(s).....

Signature of Proxy Holder.....

Notes: 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.

PAPER – MGT -12

BALLOT PAPER/POLLING PAPER

Name(s) of Member(s) : (In BLOCK/CAPITAL LETTERS)	
Registered Address :	
DP ID / Client ID* or Registered Folio No :	
No. of equity shares held :	

***Applicable in case of Share held in electronic form**

I/We hereby exercise my/our vote in respect of the following resolution(s) as set out in the Notice of 25th Annual General Meeting of Company scheduled to be held on Monday, September 30, 2019 at 12:30 P.M. at **101, B Wing Haridarshan Building, Bhogilal Phadia Road Near S V P Primary School, Kandivali (West), Mumbai – 400067**, which is proposed to be placed for consideration of members at the aforesaid Annual General Meeting of the Company, by conveying my/our assent and/or dissent to the said Resolution(s) in the relevant box as stated here in below:

ResoNo.	Resolution	No. of Equity Share(s) held	I/We assent to the resolution (For)*	I/We dissent to the resolution (Against)*
Ordinary Businesses				
1.	To Receive, Consider and Adopt the Profit and Loss Account of the Company for the year ended 31 st March, 2019 and Balance Sheet as at that date, Cash Flow statement for the year ended 31 st March, 2019 and Report of the Directors and Auditors thereon.			
2.	To appoint a Director in place of Mr. Kishore Vithaldas Shah, who retires by rotation and being eligible offered himself for re-appointment.			
3.	To appoint a Director in place of Ms. Pooja Hemashu Mehta, who retires by rotation and being eligible offered himself for re-appointment.			
Special Businesses				
4.	Regularisation Of Additional Director, Mr. Deven Narendra Sanghavi By Appointing Him As Independent Director Of The Company			

*Please put a tick mark (✓) in appropriate column against the resolution(s) indicated above. In case of member/proxy wishes his/her vote to be used differently, he/she should indicate the number of shares under the columns 'For' and/or 'Against'.

Place:

Date:

Signature of Member

**ROUTE MAP TO THE VENUE OF THE 25th ANNUAL GENERAL MEETING ON MONDAY,
SEPTEMBER 30, 2019 AT 12.30 P.M.**

