

ALACRITY SECURITIES LIMITED

ANNUAL REPORT 2013 - 14

Registered Office:

101, B Wing -Haridarshan Building, Bhogilal Phadia Road

Near S V P Primary School, Kandivali (West)

Mumbai – 400067

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Hiten Mehta
Mr. Jai Prakash Jindal
Mr. Kishore Shah
Ms .Pooja Mehta
Mr. Ramanand Gupta
Mr Ankur Mehta

Company Secretary & Compliance Officer

Mr. Ganeshprasad Gupta

REGISTERED OFFICE

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

AUDITORS

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

BANKERS

CANARA BANK
AXIS BANK
HDFC BANK

REGISTRAR & TRANSFER AGENT

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

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 20th Annual General Meeting of the members of **M/s ALACRITY SECURITIES LTD**, will be held at 10.00 a.m. on Saturday 27th September, 2014 at its Registered Office at 101-B, Hari Darshan, Bhogilal Fadia Road, Kandivali (W), Mumbai – 400067 to transact the following business:-

ORDINARY BUSINESS: -

1. To receive, consider and adopt the audited Balance Sheet of the company as at 31st March 2014 and the Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors.
2. To appoint a Director in place of Mr. Jai Prakash Jindal (holding DIN: 00244802) who retires by rotation and being eligible to offer himself for re appointment.
3. To appoint Auditor and fix their remuneration and this regard to consider ,and if thought fit ,to pass with or without modification(s), following resolution as an ordinary resolution
“**RESOLVED THAT** M/s. Lalit Kumar Dangi & Co, Chartered Accountants, 77, Mulji Jetha Bldg, 3rd Floor, 185 /187 Princess street, Marine Line, Mumbai – 400002, be and is hereby appointed Auditor of the Company from conclusion of this annual General Meeting to the conclusion of next three Annual General Meeting at a remuneration that may be decided by the Board of Directors in consultation with the Auditors.”

SPECIAL BUSSINESS

- 4) **Appointment of Mr. Ankur Mehta (holding Din No. 06838230) as an Independent Director and in this regard** to consider ,and if thought fit ,to pass with or without modification(s), following resolution as an ordinary resolution
“**RESOLVED THAT** pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under; including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Ankur Mehta, (holding DIN : 06838230) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 12th March, 2014 and who holds office until the date of the Annual General Meeting, in terms of Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Ankur Mehta as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company up to 31st March 2019, not liable for rotation.

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- 5) Appointment of Pooja H Mehta(holding din no.03498526)under section 188 of the Companies Act 2013 (314 of the Companies Act 1956) and if thought fit,to pass with or without modification(s), following resolution as an Special resolution
“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act 188 (314, and other applicable provisions, if any, of the Companies Act, 1956,) consent of the company be and is hereby accorded to Ms. Pooja H Mehta, (holding din no.03498526)Director of the company to hold an office or place of profit as a Business Executive on a Monthly salary of Rs 25000 of M/s. Alacrity Securities Limited, located in Mumbai with effect from 1st October 2013 for a period of 3 years commencing from 1st October 2013 to 30th September 2016.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than Ten Percent of the total share capital of the Company. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
2. PROXY FORM AND ATTENDANCE SLIP ARE ENCLOSED, PROXIES IN ORDER TO BE VALID MUST REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2014 to 27th September 2014 (both the days inclusive.)
5. Members are requested to notify immediately changes in their respective address, if any, to the Company's Registered Office quoting their Folio No.
6. Members who hold shares in the Dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Annual General Meeting. For Alacrity Securities Limited.
7. Brief Profiles of the Director who is proposed to be appointed / re-appointed is given as

Additional Information on Directors, which part of the Notice.

8. Members / Proxies should bring their copy of the Annual Report and also the attendance slip duly filled in for attending the meeting.
9. A statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ("The Act")

The following statement sets out all material facts relating to Special Business mentioned in accompanying Notice:

ITEM NO. 4: The Board, at its meeting held on 12th March, 2014 appointed Mr. Ankur Mehta as an Additional Director of the Company with effect from 12th March, 2014, pursuant to Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013, Mr. Ankur Mehta will be hold office up to the date of ensuing Annual General Meeting of the Company. The Company has received valid Notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member along with requisite deposit proposing the candidature of Mr. Ankur Mehta for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. Mr. Ankur Mehta is having rich experience in the field of finance. In view of the background and valuable experience of Mr. Ankur Mehta, it will be in the interest of the Company that he continues as an Independent Director of the Company. The resolution seeks the approval of members for the appointment of Mr. Ankur Mehta as an Independent Director of the Company up to 31st March 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made there under. He is not liable to retire by rotation. Brief resume of Mr. Ankur Mehta nature of his expertise in specific functional areas, shareholding and relationships between directors inter-se as stipulated under Clause 52 of the Listing Agreement with the Stock Exchange is provided elsewhere in this notice of the ensuing Annual General meeting. In the opinion of the Board of Directors, Mr. Ankur Mehta, the independent Director proposed to be appointed, fullfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and he is independent of the management. Copy of the draft letter for appointment of Mr. Ankur Mehta as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company during normal business hours on working days upto the date of AGM. This Statement may also be regarded as a disclosure under Clause 52 of the Listing Agreement with the Stock Exchange. No director, key

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managerial personnel or their relatives, except Mr. Ankur Mehta, to whom the resolution relates, is interested or concerned in the resolution. The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

ITEM NO. 5: The Board, at its meeting held on 15th January 2014 appointed Ms. Pooja Mehta under section 188 of the Companies Act 2013:

The Special Resolution relates to the appointment of Ms Pooja H Mehta in the employment of the Company as Business Executive , is the Director of the Company. The remuneration payable to Ms Pooja H Mehta by M/s Alacrity Securities Limited would require the consent of members of the Company by special resolution pursuant to provisions of Section 314 of the Companies Act, 1956.

The Compensation Committee had approved the appointment and the Board of Directors approved the appointment of Ms Pooja H Mehta as Business Executive on 15th January 2014 for a period of three years with effect from 1st October, 2013. Since the appointee is related to the director of the company, this appointment amounts to an Office or Place of Profit and requires the approval of the members of the company in terms of Section 314 of the Companies Act.

The Company is continuously in the look out for well qualified people and Ms Pooja H Mehta, is a suitable person for that, Pooja has completed Business and Management BA Hons from University of Exeter London.

None of the directors of the company, other than Ms. Pooja H Mehta and Mr. Hiten R Mehta (Relative) is interested in the resolution.

By Order of the Board

Sd/-

DIRECTOR

Hiten R Mehta

01875252

Place: MUMBAI

Date: 03/09/2014

DIRECTORS' REPORT

To
The Members,

The Directors of your Company have pleasure in presenting their 20th Annual Report together with the audited annual accounts for the financial year ended 31st March 2014.

FINANCIAL RESULTS

PARTICULARS	Year ended March 31, 2014 Rs (In '000)	Year Ended March, 31, 2013 Rs (In '000)
Gross Income	22754203	262465814
Profit/(Loss) Before Depreciation	6028129	(7247575)
Less: Depreciation	1743150	1748569
Profit/(Loss) Before Tax	4284979	(8996144)
Less: - Provision for tax	900000	-
Deferred Tax	495617	(597872)
Prior Period Tax	-	(1615)
MAT Credit Entitlement	84208	-
Profit/(Loss) After Tax	2805154	(8396657)
Profit Brought Forward from Last Year	30846370	99243027
Amount Available for Appropriation	33651524	90846370
Less: Appropriations	-	-
Transfer to General Reserve	-	- -
Capitalization during the year(Issue of Bonus Shares)	-	60000000
Proposed Dividend	-	-
Dividend tax thereon	-	-
Surplus carried to Balance Sheet	33651524	30846370

OPERATION

During the year the company has gross receipt of Rs. 227.54 Lacs as against 2624.65 Lacs in previous year.

DIVIDEND

Due to not having adequate distributable profit in the current year the Board of Directors of the Company have not recommended dividend for equity share.

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PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 217 (2A) OF THE COMPANIES ACT, 1956.

None of the Employees fall within the preview of the above Section and the Rules Framed there under, hence particulars are nil.

FIXED DEPOSIT

The Company has not accepted / renewed any Fixed Deposits from Shareholders, Directors and public during the year under review.

PERFORMANCE REVIEW & FUTURE PROSPECTS

Capital Markets & Asset Management is the business of Alacrity Securities Limited and our successes in this business have helped us diversify into adjacent spaces .Presently we are in the businesses Retail, Broking, .Due to the tough macro-economic situation and subdued primary and secondary market activity,

The Company is taking number of initiatives to consolidate and improve margins and return on capital which will in turn enhance the shareholders value. The current year was a better year for the Company. Due to uncertain finance market, the Company is taking a cautious view and will adopt its investment policies accordingly.

CONSERVATION OF ENERGY/TECHNOLOGY ABSORTION /FOREIGN EXCHANGE EARNINGS /OUTGO

The provisions of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of the Particulars in the Report of the Board of Directors) Rules, 1988 relating to conservation of energy and technology absorption are not applicable to the Company.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to section 217 (2AA) of Companies Act, 1956, you're Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standard has been followed and that no material departures have been made from the same;
2. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the company for the year ended on that date.

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3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. The annual accounts have been prepared on a going concern basis;

AUDITORS

M/s. LALIT KUMAR DANGI & CO., Chartered Accountants, hold office until the conclusion of ensuing annual General Meeting and being eligible offer themselves for re-appointment as Auditors of the Company.

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

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

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

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

ACKNOWLEDGMENT

The Board of Directors expressed deep gratitude for the assistance, co-operation and support extended to your company by the bankers of the company, customers as well as the investing community and look forward to their continued support.

By Order of the Board

For Alacrity Securities Limited

sd/-
Hiten R Mehta
Director

sd/-
Kishore Shah
Director

Date: 30/05/2014
Place: Mumbai

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

Your Company has implemented the Guidelines of Corporate Governance in terms of Clause 52 of the SME Listing Agreement executed with the Bombay Stock Exchange. The Company's philosophy on good Corporate Governance is maintained by being transparent, accounting implementing policies, setting and adhering to appropriate disclosure norms, learning and implementing best-in-class Board practices and displaying consistently high standards of corporate conduct towards its stakeholders.

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

As on 31 March 2014, Alacrity's, Board comprised of **Five** Directors. The Board functions either as a full Board or through committee. Policy formulation, setting up of goals and evaluation of performance and control functions vests with the Board while the Committees look after operational issues.

Mr. Kishore Shah	-	Whole Time Director
Mr. Jai Prakash Jindal	-	Non Executive & Independent
Mr. Hiten Mehta	-	Whole Time Director
Ms. Pooja Mehta	-	Non Executive Director and Non Independent Director
Mr. Ankur Mehta	-	Non Executive & Independent Director (Appointed w.e.f. 12th March 2014.)
Mr. Ramanand Gupta	-	Non Executive & Independent Director (Resigned w.e.f. 12th March 2014.)

b) Number of Board Meetings:

In 2013-14, the Board of the Company met Ten Times on 26 June, 2013, 22 July, 2013, 09 August 2013, 04 September 2013, 14th November 2013, 26th November 2013, 13th December 2013, 26 December, 2013, 15th January 2014 and 12th March, 2014.

c) Directors' Attendance Record and Directorships:

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

ALACRITY SECURITIES LTD**Composition of the Board / No. of Board Meetings/ Attendance record & Directorship etc:**

Name of the Directors	Category of Directorship	Attendance Particulars			No. of other Directorships and Committee membership / Chairmanships in other Indian public companies		
		Number of Board Meetings		Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
		Held	Attended				
Mr. Hiten R Mehta	Whole Time Director	10	10	Yes	5	-	-
Mr. Kishore Shah	Whole Time Director	10	10	Yes	-	-	-
Mr. Ramanand D. Gupta*	Non-Executive Independent	10	10	Yes	-	-	-
Mr. Ankur Mehta	Non-Executive Independent	1	1	No	-	-	-
Mr. Jai Prakash Jindal	Non-Executive Independent	10	10	Yes	3	-	-
Ms. Pooja Mehta	Executive Director	10	9	Yes	2	-	-

*Mr. Ramanand Gupta has resigned from the post of directorship with effect from dated 12th March, 2014.

Directors' Remuneration:

The Company reimburses out- of -pocket expenses incurred by the Directors for attending Meetings and for the business of the Company.

Directors sitting fees of Rs.300 Per head per meeting was paid to all the Directors for physically attending meetings of the Board, Audit committees.

The remuneration paid to Mr. Kishore Shah , whole time Director is Rs 4,74,500 ,Mr. Hiten Mehta Rs.1,80,000/-,Pooja Mehta Rs 250000 /- for the Financial year 2013-2014.

II. BOARD COMMITTEES:

The board has constituted the following committees of Directors:

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

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

Audit Committee

Remuneration Committee

Shareholders/Investors Grievance Committee

AUDIT COMMITTEE

Our Company has constituted an audit committee ("**Audit Committee**"), as per the provisions of Section 292A of the Companies Act, 1956 and Clause 52 of the Listing Agreement to be entered with Stock Exchange, vide resolution passed in the meeting of the Board of Directors held on 04th January, 2013.

The terms of reference of Audit Committee complies with the requirements of Clause 52 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises following three (3) directors. **Ramanand Gupta** is the Chairman of the Audit Committee.

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Sr. No.	Name of the Director	Status	Nature of Directorship	No. of Meetings	
				Held	Attended
1.	Mr. Ramanan D. Gupta	Chairman	Independent Director	4	4
2.	Mr. Jaiprakash Jindal	Member	Independent Director	4	4
1.	Mr. Hiten Mehta	Member	Executive & Non Independent Director	4	4

Representatives of the statutory auditors are regularly invited by the Audit Committee to its meetings. The terms and composition of the Audit Committee confirm to the requirement of Section 292A of the Companies Act, 1956.

Terms of reference:

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

The Statutory Auditors are invitees to the Meeting.

Powers of Audit Committee:

The Audit Committee has the following powers:

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

b) REMUNERATION COMMITTEE

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

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Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Jaiprakash Jindal	Chairman	Independent Director
2.	Mr. RamananD. Gupta	Member	Independent Director
1.	Ms. Pooja Mehta	Member	Non Executive & Promoter Director

c) SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

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

Sr. No.	Name of the Director	Status	Nature of Directorship	No. of Meetings	
				Held	Attended
1.	Mr. Jaiprakash Jindal	Chairman	Independent Director	4	4
2.	Mr. Ramanan D. Gupta	Member	Independent Director	4	4
1.	Mr. Kishore Shah	Member	Executive Director	4	4

d) Code of Conduct:

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

e) INVESTOR COMPLAINTS

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

Nature of Compliants	Complaint Received	Complaint redressed	Complaint Pending
Non-receipt of share certificates	-	-	-
Non-receipt of dividend/interest warrant	-	-	-
Non-receipt of annual report	-	-	-
Non-completion of transfer procedure	-	-	-
Total	-	-	-

III. Subsidiary Companies

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

IV. DISCLOSURES:

- a) There were no materially significant related party transactions during the year that may have potential conflict with the interest of the Company at large.
- b) There were no instances of any material non compliance during the last three years by the Company on any matter related to capital markets. There was no penalties imposed nor did strictures pass on the company by stock exchanges, SEBI or any statutory authority.
- c) All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board, and the interested Directors do not participate in the discussion nor do they vote on such matters.
- d) The Company has followed the Accounting Standard issued by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements and there were no Audit qualification in this regard.
- e) Transactions with related parties are disclosed– 'Notes forming part of the Accounts' annexed to the financial statements of the year.

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- f) In terms of Clause 52 the listing Agreement, the Chief Executive Officer have furnished a certificate for the financial year ended 31st March 2014 to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls, The said certificate is attached at the end of the report.
- g) Proceeds from the Initial Public Offer of the Company: The Details about the utilization of the proceeds raised through Initial Public Offer of equity shares of the Company are disclosed to the Audit Committee. The Company has not utilized these funds for the purposes other than those mentioned in the prospectus of the Company.

V. A) GENERAL BODY MEETINGS:

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

Details of last three Annual General Meetings:

Financial Year	Date	Time	Venue
2010 - 2011	30th Sept., 2011	11.00 a.m.	B-102, Haridarshan, Bhogilal Phadia Road, Kandivli [West] Mumbai 400 067
2011 - 2012	25th Sept., 2012	11.00 a.m.	B-102, Haridarshan, Bhogilal Phadia Road, Kandivli [West] Mumbai 400 067
2012 - 2013	30th Sept., 2013	11.00 a.m.	B-102, Haridarshan, Bhogilal Phadia Road, Kandivli [West] Mumbai 400 067

Resolutions under

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

VI. MEANS OF COMMUNICATION:

All material information about the company is promptly submitted to the Bombay Stock

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

VII. MANAGEMENT DISCUSSION & ANALYSIS.

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

VIII. GENERAL SHAREHOLDERS INFORMATION:**a) Annual General Meeting:**

Date : 27th September, 2014
Time : 11.00 AM
Venue : B-102, Haridarshan, Bhogilal Phadia Road,
Kandivli [West], Mumbai 400 067.

b) Financial Calendar:

1st April to 31st March.

Potential Time of Quarterly Results:

First quarter : NA
Second quarter : Second week of November 2014
Third quarter : NA
Fourth quarter : Last week of May 2015

d) Book Closure:

The books will be closed from 24.09.2014 to 27.09.2014 (both days inclusive) as Book closure for the Annual General Meeting.

e) Listing:

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

The Company has paid annual listing fees for the financial year 2014-15.

BSE Stock Codes: 535916

ISIN for Dematerialization: INE030P01017

- g) Market Price Data:** The monthly high and low prices of company's equity shares at Bombay Stock Exchange Limited (BSE) for the year 2013-14

High and Low Prices at the BSE

Month	High (Rs.)	Low (Rs.)
April 2013	NA	NA
May 2013	NA	NA
June 2013	NA	NA
July 2013	NA	NA
August 2013	13.25	6.10
September 2013	10.85	6.60
October 2013	11.35	8.95
November 2013	10.65	9.10
December 2013	9.00	7.20
January 2014	9.00	7.10
February 2014	7.40	6.45
March 2014	8.55	6.35

h) Shareholding Pattern:

Share Holding Pattern as on 31 March 2014 given below:

Category	No. of shares held	Share holding %
Promoters	9 9 0 3 7 0 0	46.98
Mutual Funds/UTI & Banks	— -	— —
Private Bodies Corporate	2 5 6 8 5 9	1.22
Resident Individuals	10919441	51.84
Total	21080000	100.00

ALACRITY SECURITIES LTD**i) Distribution of shareholding as on 31st March 2014:**

Range (in Rs)	Number of share holders	Shares amount (in Rs)	Shareholding %
Up to 5000	2	6000	0.0028
5001 to 10,000	1	8590	0.0041
50,001 to 1,00,000	207	16591410	7.8707
1,00,001 and above	146	194194000	92.1221
Total	356	210800000	100.00

i) Share Transfer System:

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

j) Registrar & Transfer Agent:

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

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

k) Dematerialization of Shares as on 31st March, 2013: NA**l) Investor Correspondence Address:**

Big Share Services Pvt. Ltd.

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

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Declaration regarding Compliance of code of Conduct should be inserted which has to be signed by the Chief Executive Officer

DECLARATION

Annual Declaration by Chief Executive Officer (CEO) pursuant to Clause 52 (i) (d) (ii) of the SME Listing Agreement.

I, Hiten Ramniklal Mehta as the Chief Executive Officer (CEO) of ALACRITY SECURITIES LIMITED provided under Clause 52 (i)(d)(ii) of the Listing Agreement. I hereby declare that all the Board members and Senior Management personnel of the company have confirmed compliance with the code of conduct for the financial year ended 31 March 2014.

FOR Alacrity Securities Limited

sd/-

Hiten Ramniklal Mehta
Chief Executive Officer

Date 30 May, 2014
Place: Mumbai

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Alacrity Securities Limited
Mumbai

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 52 of the Listing Agreement entered into, by the Company, with the Stock Exchanges of India, for the financial year ended on 31st March 2014.

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

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

Based on such a review and representation made by the Directors and the Management, to the best of our information and according to the explanations given to us, in our opinion, the company has complied with the conditions of Corporate Governance, as stipulated in Clause 52 of the said listing agreement.

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

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

For Lalit Kuamr Dangi & Co,
Chartered Accountants
F. R. No. 112107W
Sd/-
CA.Lalit Kumar Dangi
Proprietor
M.No.045611

Place: Mumbai
Date: 30/05/2014

CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION

I, Hiten Ramniklal Mehta, Chief Executive Officer , of Alacrity Securities Limited, hereby certify to the Board that:

I have reviewed financial statements and the cash flow statement for the year 31st March 2014 and that to the best of our knowledge and belief:

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

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

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

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

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

Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and

Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

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

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

Place: Mumbai
Date: 30th May, 2014

sd/-
Hiten Ramniklal Mehta
Chief Executive Officer

MANAGEMENT DISCUSSION & ANALYSIS**THE INDUSTRY OVERVIEW**

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

BUSINESS OVERVIEW

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

We are a diversified financial services company in India offering a wide range of products & services covering equity broking, F & O, currency derivatives and depository participants to all kinds of investors, namely, retail, high net worth individuals and Corporate. Our Company is led by Mr. Hiten Mehta who has more than 15 years of experience in the financial markets and have steered the growth of the Company.

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

FINANCIAL HIGHLIGHTS:

- 1) Paid up Share Capital of the Company as on 31st March 2014, stands at 21, 08, 00,000 divided into 21, 08, 00,00 number of equity Shares of Rs10/- each fully –paid up.
- 2) The reserves and surplus as on 31st March 2014 is Rs. 69401524/-
- 3) Income from operation stood at Rs. 1,36,96,429/- for fiscal 2014
- 4) Profit/Loss before Taxes of fiscal 2014 was Rs. **42,84,979**
- 5) Basic Earnings per Share for fiscal 2014 was Rs 0.13
- 6) Net Worth of the company stood at Rs. 277254819/- as on March 2014

REGULATORY:

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

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

INTENSE COMPETITION

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

MANPOWER & EMPLOYEE RELATIONS:

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

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

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

INTERNAL CONTROL SYSTEM AND ADEQUACY:

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

CAUTIONARY STATEMENT

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

For Alacrity Securities Limited
sd/-
Whole Time Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ALACRITY SECURITIES LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s ALACRITY SECURITIES LTD.** Which comprise the Balance Sheet as on 31st March 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.;
- e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place: Mumbai
Date: 30/05/2014

For Lalit Kuamr Dangi & Co,
Chartered Accountants
F. R. No. 112107W
Sd/-
CA.Lalit Kumar Dangi
Proprietor
M.No.045611

ANNEXURE TO THE AUDITORS' REPORT

- (I) a. The Company is maintaining proper records showing full particulars, including quantitative Details and situation of fixed assets.
- b. The Fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets we have been informed that no material discrepancies were noticed on such verification.
- c. During the year, there was no substantial disposal of fixed assets.
- (II) a. The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- b. In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. No discrepancy was noticed on physical verification of inventory as compared to book records.
- (III) a. The Company has granted interest free unsecured loans to two parties listed in the register maintained under section 301 of the Companies Act, 1956 aggregating to Rs. 494.58 lacs. Maximum balance outstanding during the year was Rs.217.69 lacs and the year end balance was Rs.190.69 lacs.
The terms and conditions of the loan taken are not prima-facie prejudicial to the interest of the company except the fact that no interest has been charged on loan. The recovery of loan is on demand, there is no overdue amount remain outstanding.
- b. The Company has taken unsecured loan from one party covered in the register maintained u/s 301 of the Companies Act 1956 aggregating to Rs. 145.17 lacs. Maximum balance outstanding during the year was Rs. 128.02 lacs and the year end balance was Rs. Nil.
- c. In our opinion and according to the information and explanations given to us the term and conditions of the loan taken are not prima-facie prejudicial to the interest of the company.

- d. As explained to us in respect of loan taken there is no stipulation as to repayment and same is on demand.
- (IV) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, with regard to purchase of inventory and fixed assets and with regard to sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weakness in internal controls system.
- (V) a. According to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 have been so entered.
b. In our opinion and according to the information and explanations given to us, the transactions with parties with whom transactions exceeding value of Rupees five lacs have been entered into during the financial year are at price which are reasonable having regard to the prevailing market prices at the relevant time.
- (VI) As the Company has not accepted any deposit from the public, the directives issued by the Reserve Bank of India and the provisions of section 58 A and 58AA of the Act and the rules framed there under are not applicable.
- (VII) In our opinion, the company has internal audit system commensurate with the size of the company and nature of its business.
- (VIII) Maintenance of cost records prescribed by the central government under section 209(1) (d) of the Companies Act, 1956. is not applicable to the company.
- (IX) a. According to the information and explanations give to us by the management and on the basis of our examination of books of account of the Company, the Company is regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-Tax, Wealth-tax, Service Tax, Cess and other material statutory dues as applicable to it. According to the information and explanation given to us no undisputed amounts payable in respect of above were outstanding, at the year end for a period of more than six months from the date they become payable.
b. Disputed statutory dues, that have not been deposited on account of disputed matter pending before appropriate authorities is as under.

ALACRITY SECURITIES LTD

Name of the statute	Nature of dues	Amount due (Rs. Lacs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income Tax	5.92	A-Y 1998-99	CIT (Appeals) for Re verifications
<p>(X) The Company does not have accumulated loses at the end of the financial year. The Company has incurred cash losses during the financial year but not in the immediately preceding financial year.</p>				
<p>(XI.) According to information and explanations give to us by the management we are of the opinion that the Company has not defaulted in repayment of dues to bank or financial institution.</p>				
<p>(XII) According to information and explanations give to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.</p>				
<p>(XIII) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.</p>				
<p>(XIV) The company has maintained proper records of the transactions and contracts of dealing in or trading in shares and securities and other investment and timely entries have been made therein. All shares, Securities and other investment have been held by the Company, in its own name.</p>				
<p>(XV) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions during the year.</p>				
<p>(XVI) In our opinion and according to the information & explanation given to us, on an over all basis the term loan have been applied for the purpose for which they have been obtained.</p>				
<p>(XVII) According to the information and explanations given to us and on overall examination of the Balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.</p>				
<p>(XVIII) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.</p>				

ALACRITY SECURITIES LTD

- (XIX) The Company has not raised any monies by way of issue of any debentures during the year
- (XX) The Company has raised money by way of public issue during the year. The Company has issued 60,80,000 Equity Shares of Rs. 10/-Each at a Price of Rs. 15/- Each. The Management has disclosed the end use of proceeds from Public Issue in Directors Report and same has been verified.
- (XXI) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Place: Mumbai
Date: 30/05/2014

For Lalit Kuamr Dangi & Co,
Chartered Accountants
F. R. No. 112107W
Sd/-
CA.Lalit Kumar Dangi
Proprietor
M.No.045611

Notes to Financial Statements for the year ended 31ST March 2014**1 STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES****1. Basis of accounting and preparation of financial statements**

The Company adopts the historical cost concepts and accrual basis in accordance with generally accepted accounting principles for the preparation of its accounts and complies with the applicable accounting standards issued by the Institute of Chartered Accountants of India and relevant provision of the Companies Act, 1956, except gratuity which is being accounted on cash basis consistently.

2. 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.

3. Depreciation:

Depreciation has been provided on straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956 on pro-rata basis.

4. 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.

5. Revenue Recognition:

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

6. Taxes on Income:

Tax on income for the current period is determined on the basis of Income Tax Act, 1961.

Deferred tax is recognized on timing difference between the accounting income and taxable income for the year and quantified using the tax rate and laws enacted or substantively enacted as on the Balance Sheet Date.

Deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized

7. Employees Benefit

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

ALACRITY SECURITIES LTD**Leave Encashment**

As per the policy of the Company, employees are required to avail their annual leave by the end of the respective financial year and leave is not allowed to be en-cashed and hence no provision is considered necessary

- 26. Contingent liabilities not provided for:** **(Rs. in lacs)**
- | | 2013-14 | 2012-13 |
|--|---------|---------|
| i) Bank Guarantee | 431.75 | 431.75 |
| ii) The Co. has not acknowledged the Income Tax demand of Rs.7.92 lacs for the Asst Year 98-99 since re verification before CIT (Appeals) as per ITAT Order is still pending. However Rs. 2 Lacs. Paid under protest . | | |
- 27.** Gratuity is being accounted on payment basis, Since there was less than no. of employees as required by AS-15 during the year particulars except above required as per AS-15 are not applicable to the company.

28. Related Party Transactions

- i) Related Parties Disclosures

Key Management Personnel (i)	Associates Company (ii)	Relative of Key Management Personnel (iii)
Beena H Mehta –Director (Up to May 2013)	Pooja Equiresearch Pvt Ltd.	Meeta H. Mehta
Kishore V Shah - Director	Odyssey Corporation Ltd.	Mihir K. Shah
Hiten R Mehta – Director		
Pooja H Mehta – Director (w.e.f June 2013)		

ALACRITY SECURITIES LTD

ii) Details of the transaction with the related parties

(In Rs.)

Description	(i) above	(ii) above	(iii) above
Managerial Remuneration & Salary	1004500 (1518000)	--	-- (80000)
Consultancy Charges	-- (50000)		
Rent Paid	-- (50000)	--	
Rent Received	--	30000 (30000)	
Sub-Brokerages Paid			1045212 (361580)
Interest Paid	--	145224 (2504892)	
Loan Received	--	14517347 (101592439)	
Loan Repaid		21569786 (148790000)	
Loan Given		49457859 (NIL)	
Loan Recovered		32890000 (NIL)	

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

ii) Balance as on 31st March 2014

Description	(i) above	(ii) above	(iii) above
Receivable	Nil (--)	Nil (--)	Nil (125000)
Payable	Nil (255106)	Nil (22505071)	
Loan Receivable	Nil (--)	19069909 (--)	

ALACRITY SECURITIES LTD

29. Earning per Share (EPS):	2013-14	2012-13
Net Profit	2805154	- 8396657
Face value of Share	10	10
Total No. issued Shares	21080000	15000000
Earnings per Share	0.13	-0.56

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

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

32. Additional information pursuant to para 3 and 4 of part II Schedule VI of the Companies Act

a) Directors Remuneration	<u>2013-14</u>	<u>2012-13</u>
Salary	968000	1518000
Consultancy Charges	NIL	50000
Other information are either Nil or Not Applicable		

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

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

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

For Lalit Kumar Dangi & Co.
Chartered Accountants

For and on behalf of the Board

Sd/-
Hiten R Mehta

Sd/-
Kishore V Shah

(CA Lalit Kumar Dangi)
M NO. 45611

Whole Time Director Whole Time Director

Place: Mumbai
Date: 30/05/2014

Sd/-
Ganesh Prasad Gupta
(Company Secretary & Compliance Officer)

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ALACRITY SECURITIES LTD

BALANCE SHEET AS AT 31st March 2014

	Particulars	Note No.	As at 31/03/2014		As at 31/03/2013	
			Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES						
Shareholders' Funds						
(a) Share Capital	2	210800000			150000000	
(b) Reserves and Surplus	3	69401524	280201524		36,196,370	186196370
Non - current liabilities						
(a) Long term borrowings	4	792058			530608	
(b) Deferred tax liabilities (Net)	5	1011356	1803414		515739	1046347
Current Liabilities						
(a) Short Term Borrowings	6	22518202			17514565	
(b) Trade Payables	7	33157396			39747027	
(c) Other Current Liabilities	8	6638177			11328899	
(d) Short Term Provisions	9	13512084	75825859		29069000	97659491
TOTAL				357830796		284902208
II. ASSETS						
Non - current assets						
(a) Fixed Assets						
(i) Tangible assets	10	13979576			14894190	
(ii) Intangible assets		276557			478578	
		14256133			15372768	
(b) Non - current investments	11	36678919			36,627,936	
(c) Long Term Loans & Advances	12	8887279			8,405,279	
(d) Other Non Current Assets	13	2084030	61906361		560,000	60965983
Current Assets						
(a) Inventories	14	9087482			2,612,860	
(b) Trade receivables	15	78711203			52,628,947	
(c) Cash and cash equivalents	16	90500532			86,252,182	
(d) Short term loans and advances	17	114127617			78,509,793	
(e) Other Current Assets	18	3497601	295924435		3,932,443	223936225
TOTAL				357830796		284902208
Significant Accounting Policies and Notes forming part of the Accounts-Schedule	1					
The notes are an integral part of the Financial Statement				1 to 33		

In Accordance with our Report attached
For Lalit Kumar Dangi & Co.
Chartered Accountants
FRN 112107W

(CA Lalit Kumar Dangi)
Proprietor
M No. 45611

Place: Mumbai
Date: 30/05/2014

For and on behalf of the Board

Sd/-
Hiten R Mehta
Whole Time Director

Sd/-
Kishore V Shah
Whole Time Director

Sd/-
Ganesh Prasad Gupta
(Company Secretary & Compliance Officer)

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ALACRITY SECURITIES LTD

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March 2014

Particulars	Note	2013-14		2012-13	
	No.	Rs.	Rs.	Rs.	Rs.
Revenue from Operations	19		13,696,429		254,484,263
Other Income	20		9,057,774		7,981,552
Total Revenue			22,754,203		262,465,815
Expenses					
Purchase of Shares			8,857,941		224635809
Changes in inventories of finished goods	21		-6,474,622		17,895,347
Short Tern Capital Gain/Loss (+/-)			151,064		6,152,234
Employee benefits expense	22		2,883,069		3,669,687
Finance costs	23		3,437,311		8,644,327
Depreciation and amortization expenses	24		2,605,825		2,014,569
Trading Exp, Other expenses	25		7,008,636		8,449,985
Total Expenses			18,469,224		271,461,958
Profit before tax			4,284,979		-8,996,144
Tax expense:					
Current tax		900000		0	
Deferred tax		495617		-597872	
Prior period tax		0		-1615	
MAT Credit (Entitlement)/ availed		84208	1479825	0	-599487
Profit for the period			2,805,154		-8,396,657
Earning per equity share:					
Basic & Diluted			0.13		-0.56
Significant Accounting Policies and Notes forming part of the Accounts-Schedule	1				
Notes forming part of the Financial Statements			1 to 33		

In Accordance with our Report attached
For Lalit Kumar Dangi & Co.
Chartered Accountants
FRN 112107W

(CA Lalit Kumar Dangi)
Proprietor
M No. 45611

Place: Mumbai
Date: 30/05/2014

For and on behalf of the Board

Sd/-
Hiten R Mehta
Whole Time Director

Sd/-
Kishore V Shah
Whole Time Director

Sd/-
Ganesh Prasad Gupta
(Company Secretary & Compliance Officer)

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ALACRITY SECURITIES LTD

Notes to financial Statements for the year ended 31st March 2014

2 Share Capital:				
	As at 31/03/2014		As at 31/03/2013	
	No.	Rs	No.	Rs
Authorized:				
Equity shares of Rs. 10/- each (P.Y. Rs. 10/- each)	22000000	0	20000000	200000000
	220000000	2200000000	20000000	200000000
Issued, subscribed and fully paid up:				
Equity shares of Rs. 10/- each (P.Y. Rs. 10/- each)				
At the beginning of the reporting period	15000000	1500000000	3000000	30000000
Issued during the reporting period			0	0
Addition on Account of split in Share from Rs.100 to 10/-	0	0	27000000	270000000
Bonus shares	0	0	60000000	600000000
Allotted During the year	6080000	60800000	60000000	600000000
Bought back during the reporting period		0	0	0
At the close of the reporting period	21080000	210800000	15000000	150000000
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	Shareholder's Name	No of Shares	% of Holding	
a. Beena H Mehta	0	0.00	2844700	18.96
b. Pooja H Mehta	9744700	46.23	6900000	46.00
3 Reserves and Surplus:				
				In Rs.
Particulars	SHARE PREMIUM	General reserves	Surplus balance in Statement of Profit & Loss	Total
At the beginning of the reporting period	0	5,350,000	30,846,370	36,196,370
Transferred from/to Profit & Loss Account	0	0	2,805,154	2,805,154
Allocation towards allotment of bonus shares	0	0	0	0
Received During the Year	30400000	0	0	30,400,000
Proposed Dividends	0	0	0	0
Provision towards dividend distribution tax	0	0	0	0
At the close of the reporting period	30,400,000	5,350,000	33,651,524	69,401,524
At the close of the previous reporting period	0	5,350,000	30,846,370	36,196,370

ALACRITY SECURITIES LTD

4	4	Long term Borrowings		In Rs.
		Particulars	As at 31/03/2014	As at 31/03/2013
1)	I)	Secured Loans:		
	a.	Term Loans		
	(i)	Vehicle Loan		
		- from Banks	1516037	1011948
		- from Others	0	147256
			1516037	1159204
		Amount Disclosed under the Head "Other Current Liabilities"	723979	628596
		(Note :8)	792058	530608
		Additional Information:		
		Details of security for secured loans		
		Vehicle loan is secured against hypothecation of Vehicles		
	5	Deferred Tax Assets & Liabilities		
		Particulars		
i)	I)	Deferred tax liability:		
	a)	On account of depreciation on fixed assets	1011356	1111633
	b)	On account of timing differences in recognition of expenditure	0	0
		Total	1011356	1111633
		DEFERRED TAX ASSETS		
		On account of Carried forward Losses and Depreciation	0	595894
		Net Deferred tax liability	1011356	515739
6)		Short term Borrowings		In Rs.
		Particulars	As at 31/03/2014	As at 31/03/2013
I)		Secured Loans:		
	a)	Working Capital Loan		
		Against FDR		
		- from banks	22518202	10462126
			22518202	10462126
		Additional Information:		
	i	Loan against FDR is secured by way of lien of FDRs		
	iii	Loan against shares is secured against pledge of shares of company, Directors & Clients and personal guarantee of past & present directors		
	iii	Vehicle loan is secured against hypothecation of Vehicles		
	II)	Unsecured Loans:		
		Inter Corporate Deposit from related party	0	7052439
			0	7052439
		Total	22518202	17514565

ALACRITY SECURITIES LTD

7	Trade Payables		
i)	To Micro, Small and Medium Enterprises		
ii)	Others (Amt Due to Clients, Margin & Exchange)	33157394	39747027
		33157394	39747027
8	Other current liabilities:		
	Current maturities of Long-term Borrowings (Refer Note:6)		
a)	Vehicle Loan		
	- from banks	723979	481340
	- from others		147256
		723979	628596
b)	Liabilities for Expenses	643531	575200
c)	Due to Director	0	11716
d)	Statutory Liabilities & outstanding Exp (TDS & S.T)	664522	494735
f)	Bank Book Overdraft	4606146	9618652
		6638177	11328899
9	Short term provisions:		
a)	Provision for Taxation	13512084	29069000
		13512084	29069000
11	Non Current Investments:		In Rs
	Details of Investments	Face Value	As at 31/03/2014
			As at 31/03/2013
	Investments in Equity Instruments: (quoted)		
	Associates		
	Odyssey Corporation Ltd. (Qty 1054550, P.Y. 1054550)	5	27,968,195
			27,968,195
	Other Non Current Investments (quoted)		
	Aqua Logistic Ltd. Qty 741355, P.Y.760346]	10	7,378,724
			7,567,741
	Investments in Mutual funds (Unquoted)		
	Canara Robeco Gold Saving Fund (Units 16784.2670, P.Y. 4010.2150)		160,000
			40,000
	Canara Robeco Equity Diversified Growth Fund (Units 2554.6530, P.Y.638.1340)		160,000
			40,000
	Other non current investments (Unquoted)		
	Chincholi Sugar & Bio Ind Ltd. (Qty 25000, P.Y. 25000)	10	1,000,000
			1,000,000
	Sheetal Co op Credit Soc Ltd. (Qty 100, P.Y. 100)	100	10,000
			10,000
	Hari Darshan Co op Housing Soc Ltd (Qty 40, P.Y. 40)	100	2,000
			2,000
	Total		36,678,919
			36,627,936
	Additional Information:		
	Aggregate value of quoted investments:		
	Cost		35,346,919
	Market Value		35,535,936
			16,721,038
			38,643,468
	Aggregate value of unquoted investments:		
	Cost		1,332,000
			1,092,000
12	Long Term Loans & Advances		
	Deposites (With Exchange& Others)	8,887,279	8,284,279
	Staff Loan	0	121,000
		8,887,279	8,405,279
13	Other non current assets		
	Unamortized Expenses	2,084,030	560,000
		2,084,030	560,000

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ALACRITY SECURITIES LTD

			In Rs
	Particulars	As at 31/03/2014	As at 31/03/2013
14	Inventories:		
	i) Stock-in-Trade (Shares)		
	(Valued at lower of cost or Market Value)	9,087,482	2,612,860
		9,087,482	2,612,860
15	Trade receivables:		
	(Unsecured considered good.)		
	i) Trade receivables exceeding six months	20,843,579	10,591,923
	ii) others	57,867,623	42,037,024
		78,711,203	52,628,947
16	Cash and cash equivalents:		
	i) Balances with banks		
	In current Accounts	2018740	1,417,786
	In Deposits Accounts		
	- in fixed deposit accounts	86,213,057	83,696,848
	(Pledged/ lien with bank against O/D & Guarantee facility)		
	iii) Cash on hand	2,268,734	1,137,548
		90,500,532	86,252,182
17	Short term loans and advances:		
	(unsecured, considered good)		
	i) Loans & advances & other receivable	85,875,037	32,174,169
	ii) Shares Application Money Given	0	2,500,000
	iii) Advance Income Tax, TDS	17,795,244	33,403,078
	iv) MAT Credit Entitelment	10,296,837	10,381,046
	v) Staff Loan	160,500	51,500
		114,127,617	78,509,793
18	Other Current Assets		
	i) Unamortized expenses	862,675	266,000
	ii) Interest Accured on deposits	1,780,339	3,550,400
	iii) Prepaid Exp	854,587	116,043
		3,497,601	3,932,443

ALACRITY SECURITIES LTD

			In Rs.
	Particulars	2013-14	2012-13
19	Revenue from operations:		
	Sales	2,898,284	245,547,317
	Sale of Services	9,451,870	8028250
	Other Operating Revenues	1,346,274	908,696
		13,696,429	254,484,263
20	Other Income:		
	Interest Income (Bank & Other)	8,917,681	7,197,893
	Dividend Income		
	- from long term investments	3,900	7,320
	Net gain/loss on sale of long term investments (stt paid)	0	63,150
	Profit on Speculation & F & O / Equity	106193	194,921
	Other non operating income (net of expenses directly attributable to such income, Rent, LPC, Other Income, Stamp Duty)	30,000	518,269
		9,057,774	7,981,552
21	Changes in inventories of finished goods, WIP and stock in trade:		
	<u>Inventories at the beginning of the year</u>		
	Shares	2,612,860	20,508,207
	<u>Inventories at the end of the year</u>		
	Shares	9,087,482	2,612,860
		-6,474,622	17,895,347
22	Employee Benefit Expenses:		
	Salaries and Wages	1,731,707	1,969,175
	Contribution to provident and other funds	101,952	110,880
	Remuneration to whole time directors	968,000	1,518,000
	Staff welfare & Canteen expenses	81,410	71,632
		2,883,069	3,669,687
23	Finance Costs:		
	Bank Charges & Interest	3,212,783	5,781,005
	Other Borrowing Cost	76,602	2,549,521
	Interest Paid	147,926	313,801
		3,437,311	8,644,327
24	Depreciation and amortization:		
i)	Depreciation	1,743,150	1,748,569
ii)	Amortization of intangible assets	862,675	266,000
		2,605,825	2,014,569

ALACRITY SECURITIES LTD

				In Rs.
	Particulars		2013-14	2012-13
25	Trading & Administrative Expenses			
	Payment to the auditors			
	- for Audit fees		100000	100000
	- for Tax audit fees		50000	50000
	- for other services		32500	134000
	Annual Fee to Exchanges		25000	575000
	Annual Maintanace		73406	238962
	Business Promotion Exp		0	3700
	Connectivity Charges (Lease line & VSAT)		197337	378968
	Demat Charges & Stamp Charges		154111	161507
	Donations		11000	207500
	Electricity Exp		347832	291719
	Insurance		33469	118714
	Penalty & Fines		306541	0
	Interest/ Finance Charges on car Loan		0	0
	Internal Audit Fees		100000	100000
	Legal and professional charges		407109	771408
	Loss on sale of fixed asset		243829	259177
	Miscellaneous expenses		202548	696652
	Motor Car Expenses		105129	194621
	Rent Paid		0	50000
	Security Transaction Charges		11813	0
	Repairs & Maintance		207519	136022
	SEBI turnover charges		32825	28016
	Society Maintance and Mun taxes		142420	414491
	Stock Exchange Charges		116751	152996
	Sub Brokrage Paid		2091029	2047132
	Telephone Expenses		192801	316,791
	Transaction Charges Paid		800313	748756
	Travelling & Convence		652452	273852
	Listing & Custodian Fees		72221	0
	MCx Charges		4000	0
	NSDL Depository		22472	0
	CDSL Depository		57210	0
	Website Charges		200000	0
	Share Transfer & Registration Fees		15000	0
			7008636	8449984

ALACRITY SECURITIES LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Sr.No	Particulars	for the year ended 31/03/2014		for the year ended 31/03/2013	
				Rs.	Rs.
A	CASH FLOW FROM OPERATING ACTIVITIES				
1)	Net Profit Before Tax		4,284,979		-8,996,144
2)	Adjustments for:				
	Depreciation and Amortization Expenses	2,605,825		2,014,569	
	loss/(profit) on sale of fixed assets	243,829		259,177	
	Finance Costs	3,655,200		8,499,403	
	profit on sale of investments	-		-63,150	
	Dividend Income	-3,900		-7,320	
	Interest Income	-8,917,681		-7,197,893	
	Short Term capital Loss	151,064		6,152,234	
			-2,265,664		9,657,021
	Operating profit before working capital changes		2,019,315		660,878
3)	Adjustments for:				
	Decrease/(increase) in trade receivables	-26,082,256		48,877,117	
	Decrease/(increase) in inventories	-6,474,622		17,895,347	
	Decrease/(increase) in Long term & short term loans & advance	-51,791,868		-30,633,273	
	Decrease/(increase) in other current assets	1,031,517		5,633,001	
	Increase/(decrease) in trade payable	-6,589,631		-1,212,380	
	Increase/(decrease) in other liabilities	-4,690,722	-94,597,582	-12,416,762	28,143,050
	Cash generated from operation		-92,578,267		28,803,928
4)	Taxes Paid (net)		849,082		693,852
	Net cash from operating activities	A	-93,427,349	A	28,110,076
B	CASH FROM INVESTING ACTIVITIES				
1)	Purchase of fixed assets	-1,411,843		-1,204,415	
2)	Purchase of intangible assets	-8,500		-	
3)	Sale/disposal of fixed assets	550,000		500,000	
4)	investments in associates	-		-16,568,195	
5)	Purchase of current and non current investments	-240,000		-10,384,562	
6)	Proceeds from sale of current and non current investments	37,9		14,462,297	
8)	Dividend on investments	3,900		7,320	
9)	Interest received	8,917,681		7,197,893	
			7,849,191		-5,989,663
	Net Cash form /(used in) investing activities	B	7,849,191	B	-5,989,663
C	CASH FLOW FROM FINANCING ACTIVITIES				
1)	Interest and finance cost paid	-3,655,200		-8,499,403	
2)	Proceeds from borrowing (net)	5,265,087		-81,366,079	
3)	Proceeds of issue of share	91,200,000		60,000,000	
4)	Dividend Paid	-		-1,500,000	
5)	Tax on distributed Profits	-		-243,338	
6)	Preliminary Expenses Paid	-2,983,380		-140,000	
	Net Cash from/(used in) financing activities	C	89,826,507	C	-31,748,820
	Net increase in cash and cash equivalents		4,248,349	(A+B+C)	-9,628,407
	Cash and cash equivalents as at the beginning of the year	,18286,252		95,880,589	
	add: cash and cash equivalents taken over amaigamation	-		-	
	Cash and cash equivalents as at the closed of the year	90,500,532	4,248,350	86,252,182	-9,628,407
			-0		-0

In Accordance with our Report attached
For Lalit Kumar Dangi & Co.
Chartered Accountants
FRN 112107W

(CA Lalit Kumar Dangi)
Proprietor
M No. 45611

Place: Mumbai
Date: 30/05/2014

For and on behalf of the Board

Sd/-
Hiten R Mehta
Whole Time Director

Sd/-
Ganesh Prasad Gupta
(Company Secretary & Compliance Officer)

Sd/-
Kishore V Shah
Whole Time Director

ANNUAL REPORT - 2014

ALACRITY SECURITIES LTD

ALACRITY SECURITIES LIMITED

Regd Office: 101, Haridarshan Building,B- Wing,Bhogilal Phadia Road, , Kandivali (W), Mumbai – 400067.

PROXY FORM **20th ANNUAL GENERAL MEETING**

Folio No.

I/We _____ of _____ in the district of _____ being the member(s) of the above named Company

_____ hereby appoint _____ of _____ in the district of _____ or failing him/her _____ of _____ as my/ our proxy to vote for me/ us on my/our behalf, at the Annual General Meeting of the Company to be held at 101,B-Wing, Haridarshan Building, Bhogilal Phadia Road, Kandivali (W), Mumbai – 4000 on ,27th September 2014 and at any adjournment thereof.

Folio No.:

D.P.ID NO:

CLIENT I.D. NO:

No.of Shares :1 Rs./-

Revenue stamp

Signed this _____ day of _____ 2014.

Affix
Revenue
Stamp
of Rs. 1/-

Note : [Type a quote from the document or the summary of an interesting point. You can position the text box anywhere in the document. Use the Text Box Tools tab to change the formatting of the pull quote text box.]

This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

ATTENDANCE SLIP

Regd Office: 101, Haridarshan Building,B- Wing,Bhogilal Phadia Road, , Kandivali (W), Mumbai – 400067.

I, Certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company at 101, Haridarshan Building,B- Wing,Bhogilal Phadia Road,, Kandivali (W), Mumbai – 400067. on 27th September,2014.

Registered Folio No.:-..... D.P. ID.NO.....Client ID No.....

Name of the Shareholder :-

Note: Please fill in this attendance slip and hand it over at the Entrance.

Members are requested to bring their copy of Annual Report of the meeting.

Signature of the Shareholder / Proxy:.....

ANNUAL REPORT - 2014

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