

# ALACRITY SECURITIES LTD.

## ANNUAL REPORT 2017-18

### **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

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**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

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

**Company Secretary & Compliance Officer**

Ms. Amrita Sogani

**REGISTERED OFFICE**

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

**Tel : 022-2807 3882**

**Fax :022-2807 3967**

**Email :alacritysec@gmail.com**

**AUDITORS**

M/s. 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

**BANKERS**

CANARA BANK  
AXIS BANK  
HDFC BANK

**REGISTRAR & TRANSFER AGENT**

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

## **NOTICE TO THE MEMBERS**

**NOTICE** is hereby given that the 24<sup>th</sup> Annual General Meeting of the Members of Alacrity Securities Limited will be held on Wednesday the 26<sup>th</sup> day of **September, 2018** at 10a.m. at B-101 Haridarshan, Bhogila Phadia Road, Kandivali West Mumbai – 400067 to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2018, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr Hiten R Mehta, (Din 01875252) who retires by rotation, and being eligible offers herself for reappointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

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

### **SPECIAL BUSINESS**

1.

**. Appointment of Ms. Pooja H Mehta (Din :03498526) as a Whole time Director of the Company**

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

“

**“RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, read with Schedule V of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Ms. Pooja H Mehta (DIN 03498526) who was appointed as additional Director on 16<sup>th</sup> August, 2018 whole time director of the Company by the Board of Directors and who holds office until the date of annual General Meeting in terms of Section 161 of

Companies Act, 2013, and in respect of whom the Company has received the notice in writing from a member, proposing her candidature along with requisite fees be and is hereby appointed as as Director liable to retire by rotation.

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, read with Schedule V of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the approval of members of the Company be and is hereby accorded to the appointment of Ms. Pooja H Mehta (DIN 03498526) as “Executive Director” of the Company with designation styled as Whole Time director, for a period of Five years, on the terms and conditions including remuneration, as recommended by the Nomination and Remuneration Committee and as are set out in the draft of the Agreement to be entered into between the Company and Ms. Pooja H Mehta, (DIN 03498526) , with liberty to the Board of Directors.

**RESOLVED FURTHER THAT** notwithstanding to the above, in the event of loss or inadequacy of profits in any financial year, the Company shall pay Ms. Pooja H Mehta (DIN 03498526) remuneration as decided by the Board or any Committee thereof from time to time as minimum remuneration, with the approval of the Central Government, if necessary.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient or desirable to give effect to this resolution and also to revise the remuneration of Ms. Pooja H Mehta (DIN 03498526) within the limit stipulated in the Companies Act , 2013

**Registered Office :**

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

Date : 17<sup>th</sup> August, 2018

Place : Mumbai

By Order of the Board

Sd/-

Kishore V Shah

Whole Time Director & CFO

**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 **21<sup>st</sup> September, 2018 to 26<sup>th</sup> September, 2018** (both Days inclusive).
3. A statement giving the relevant details of the Directors seeking re-appointment under Item No. 4 of the accompanying Notice,

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

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

5. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
9. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
10. No amount of dividend is remaining unpaid in the dividend account, for the transferred .
11. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
12. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the Registrar and Transfer Agent of the Company.
13. Pursuant to the requirement of Corporate Governance of the Listing Regulation 2015 entered into with the Stock Exchange ,the brief resume of all the Directors proposed to be appointed

,nature of expertise, names of Companies in which they hold Directorships and shareholding are provided in the Director's Report forming part of the Annual Report.

14. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report for 2017-2018 will also be available on the website [www.alacritysec.com](http://www.alacritysec.com) for download.
15. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts .Members holding shares in physical form are requested to advise any change in their address immediately to the Company.
16. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.

By Order of the Board

**Registered Office :**

B-101,Haridarshan Building,  
By Order of the Board  
Bhogilal phadia Road,Kandivali  
West,Mumbai -400067

Date : 17<sup>th</sup> August,2018  
Place : Mumbai

Sd/-  
Kishore V Shah  
Whole Time Director & CFO

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

**The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item Nos. 4, of the accompanying Notice dated August 17<sup>th</sup>, 2018.**

pursuant to the Sections 149,196,197, schedule V and other applicable provisions of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to the approval of members of the Company in the General Meeting Ms. Pooja H Mehta (DIN 03498526) who was appointed as additional director on 16<sup>th</sup> August 2018, and whole Time Director of the Company by the Board of Directors, who holds the office up to the conclusion of Annual General Meeting in terms of Section 161 and in respect of whom the notice in writing received from the member along with the deposit, proposing her candidature as Director of the Company, be and is hereby appointed as Executive director, designation styled as Whole Time Director, liable to retire by rotation & Key Managerial Person of the Company with effect from 16<sup>th</sup> August, 2018 for a period of Five years. The remuneration, as recommended by the Nomination & Remuneration Committee was also approved by the Board, at the monthly remuneration as under:

**a) Remuneration**

Rs.100000 p.m. (Rupees One lac only) with such annual increments / increases as may be decided by the Remuneration Committee from time to time

**b) Perquisites**

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

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

**c) Valuation of perquisites**

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

**d) Minimum remuneration**

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

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

**e) Other terms**

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

**“RESOLVED FURTHER THAT** Ms. Pooja H Mehta (DIN 03498526) shall be liable to retire by rotation during this tenure of office as Executive Director of the company.”

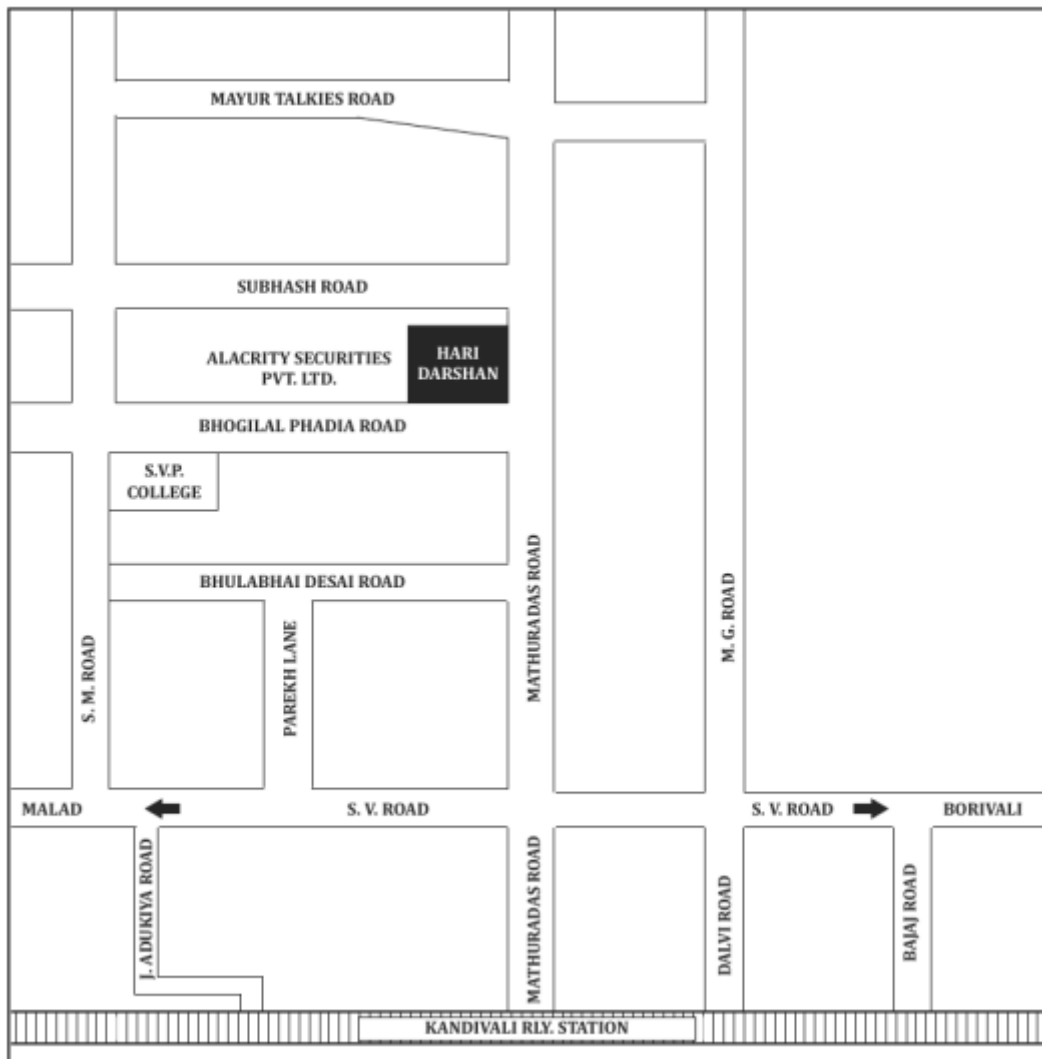
**“RESOLVED FURTHER THAT** any of the Directors of the Company be and is hereby severally authorized on behalf of the Company to do all such acts, deeds, matters, things as are considered necessary and expedient to give effect to this resolution including issuing notices to the members of the Company and filing necessary forms with the Office of Registrar of Companies.”

The Board commends passing of the resolution for the Director ALACRITY SECURITIES

By Order of the Board

**Registered Office :** B-101, Haridarshan Building,  
By Order of the Board Bhogilal phadia Road, Kandivali  
Sd/-  
West, Mumbai -400067  
Whole Time Director & CFO Date : 17<sup>th</sup> August, 2018  
Place : Mumbai

Kishore V Shah





## BOARD REPORT

To,

The Members,

Your Directors have pleasure in presenting their 24<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2018.

### **1. Financial summary or highlights/Performance of the Company**

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

| <b>Particulars</b>                                 | <b>Year ended March-2018</b> | <b>Year ended March-2017</b> |
|--|------------------------------|------------------------------|
| Gross Income                                       | <b>763153570</b>             | <b>333359176</b>             |
| Profit/Loss Before Depreciation                    | <b>7376973</b>               | <b>7915721</b>               |
| Less : Depreciation                                | <b>2061065</b>               | <b>1202293</b>               |
| Profit/Loss before Tax                             | <b>5315908</b>               | <b>6713428</b>               |
| Less:  |                              |                              |
| Provision for Tax                                  | <b>983183</b>                | <b>193273</b>                |
| Provision for Deferred Tax                         | <b>-1517153</b>              | <b>1907361</b>               |
| Prior Period Tax                                   |                              | <b>-</b>                     |
| Mat Credit   | <b>-983183</b>               | <b>-193273</b>               |
| Net Profit/Loss After Tax                          | <b>6933062</b>               | <b>48,06,067</b>             |
| Balance of Profit brought forward                  | <b>11475544</b>              | <b>66,69,478</b>             |
| Balance available for appropriation                |                              |                              |
| Proposed Dividend on Equity Shares                 |                              |                              |
| Tax on proposed Dividend                           |                              |                              |
| Transfer to General Reserve                        |                              |                              |
| Adjustment related to fixed Asset and Deferred Tax |                              |                              |
| Surplus carried to Balance Sheet                   | <b>18408606</b>              | <b>1,14,75,544</b>           |

### **Operations**

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

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

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

### **2. Financial Highlights**

**Standalone Revenues:**

During the fiscal 2018, the gross operational income of the Company stood at Rs. 75,37,27,344 as compared to previous fiscal of `Rs 32,47,35,488.

**2 Change in the nature of business, if any**

No change of business occurs during the year under review.

**3. Dividend**

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

**4. Reserves**

The amounts, as on ended of financial year in, Share Premium account is Rs 3,04,00,000 , General Reserves is Rs.53,50,000 and Surplus in Profit and Loss accounts is Rs **18408606**.

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

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

**ISSUE OF SWEAT EQUITY SHARE**

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

**BUY BACK OF SECURITIES**

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

**BONUS SHARES**

No Bonus Shares were issued during the year under review.

**6. Directors and Key Managerial Personnel**

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

**7. Meetings**

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

**8. Board Evaluation**

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

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

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

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

**10. Remuneration Policy:**

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

**11. Managerial Remuneration:**

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

**12. Details of Subsidiary/Joint Ventures/Associate Companies**

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

**Company does not have any subsidiary.**

**13. Auditors:**

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

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

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

#### **14. Auditors' Report**

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

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

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

#### **15. Disclosure about Cost Audit**

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

#### **16. Secretarial Audit Report**

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

The Board has appointed Nishu Jain ; Nishu Jan & Associates ,Practicing Company Secretary ,as Secretarial Auditor of the Company for Fiscal 2019

#### **17. Internal Audit & Controls**

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

#### **18. Issue of employee stock options**

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

|                    |  |
|--------------------|--|
| <b>Particulars</b> |  |
| Approval           |  |
| Options granted    |  |

|   |                       |
|---|-----------------------|
| Options vested  | <b>Not Applicable</b> |
| Options exercised   |                       |
| Total number of shares arising out of exercise of options |                       |
| Options forfeited/lapsed/cancelled                        |                       |
| Variations of terms of options                            |                       |
| Money realized by exercise of options                     |                       |
|   | NOT APPLICABLE        |
| Total number of options in force                          |                       |

Notes: -

1. Details of options granted during the Financial Year 2017-18 to:

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

**19. Vigil Mechanism :**

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

**20. Risk management policy:**

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

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

**21. Extract Of Annual Return:**

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

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

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

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

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

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

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

**25. Deposits**

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

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

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

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

Particulars of loans given, Investment made ,guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient

are provided in the financial statement (Please refer to Note No. 12 to 13 to the financial statement).

**27. Particulars of contracts or arrangements with related parties:**

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

Sub Brokerage: Mrs Meeta H Mehta –INR 18,33,534 & Mr. Mihir K Shah – INR 35325

Remuneration of Key Managerial Personnel: Mr. Kishore V Shah –INR 78,9250, and Nipa Sheth Rs 201500

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

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

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

**28. Particulars of Employees**

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

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

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

a) Conservation of energy

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

**(b) Technology absorption**

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

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

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

**(b) Technology absorption**

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

**(c) Foreign exchange earnings and Outgo**

NOT APPLICABLE

**30. Corporate Social Responsibility (CSR)**

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



**31. Human Resources:**

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

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

**32. Corporate Governance:**

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

**33. Insider Trading Regulations:**

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

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

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

**34. Directors' Responsibility Statement:**

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**35. Transfer of Amounts to Investor Education and Protection Fund :**

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

**36. Corporate Governance and Management Discussion And Analysis:**

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March, 2018

**37. Web-link**

The Annual Return of the co. will be hosted on the website i.e. [www.alacritysec.com](http://www.alacritysec.com)

**38. Acknowledgements**

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

For and on behalf of the Board of Directors

Signing as per Board resolution passed

Whole Time Director

Whole Time Director and CFO

Nipa P Sheth

Kishore V Shah

07420589

0197561

Place:Mumbai

Date:14/08/2018

**Annexure I****FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2018****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.****I. REGISTRATION & OTHER DETAILS:**

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

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

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

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

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

**VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**  
Category-wise Share Holding

| Category of Shareholders                  | No. of Shares held at the beginning of the year[As on 31-March-2017] |          |          |                   | No. of Shares held at the end of the year[As on 31-March-2018] |          |                 |                   | % Change during the year |
|---|--|----------|----------|-------------------|--|----------|-----------------|-------------------|--------------------------|
|   | Demat  | Physical | Total    | % of Total Shares | Demat  | Physical | Total           | % of Total Shares |                          |
| <b>A. Promoters</b>                       |  |          |          |                   |  |          |                 |                   |                          |
| (1) <b>Indian</b>                         |  |          |          |                   |  |          |                 |                   |                          |
| a) Individual/ HUF                        | 10935700   | 0        | 10935700 | 51.8771           | <b>10935700</b>  | 0        | <b>10935700</b> | 51.8771           | NIL                      |
| b) Central Govt                           | NIL  | NIL      | NIL      | NIL               | NIL  | NIL      | NIL             | NIL               | NIL                      |
| c) State Govt(s)                          | NIL  | NIL      | NIL      | NIL               | NIL  | NIL      | NIL             | NIL               | NIL                      |
| d) Bodies Corp.                           | NIL  | NIL      | NIL      | NIL               | 536000   | NIL      | 536000          | 2.5427            | NIL                      |
| e) Banks / FI                             | NIL  | NIL      | NIL      | NIL               | NIL  | NIL      | NIL             | NIL               | NIL                      |
| f) Any other                              | NIL  | NIL      | NIL      | NIL               | NIL  | NIL      | NIL             | NIL               | NIL                      |
| <b>Total shareholding of Promoter (A)</b> | 10935700   | 0        | 10935700 | 51.8771           | <b>11471700</b>  | 0        | <b>11471700</b> | 54.4198           | Nil                      |
| <b>B. Public Shareholding</b>             |  |          |          |                   |  |          |                 |                   |                          |
| 1. Institutions                           | NIL  | NIL      | NIL      | NIL               | NIL  | NIL      | NIL             | NIL               | NIL                      |
| a) Mutual Funds                           | NIL  | NIL      | NIL      | NIL               | NIL  | NIL      | NIL             | NIL               | NIL                      |

**ALACRITY SECURITIES LTD.**

|  |          |        |         |         |         |        |         |         |        |
|--|----------|--------|---------|---------|---------|--------|---------|---------|--------|
| b) Banks / FI  | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| c) Central Govt  | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| d) State Govt(s)   | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| e) Venture Capital Funds   | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| f) Insurance Companies   | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| g) FIIs  | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| h) Foreign Venture Capital Funds   | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| i) Others (specify)  | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| <b>Sub-total (B)(1):-</b>  | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| <b>2. Non-Institutions</b>   | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| a) Bodies Corp.  | 59000    | 0      | 59000   | 0.2799  | 179000  | NIL    | 179000  | .8491   | NIL    |
| i) Indian  | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| ii) Overseas   | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| b) Individuals   | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| i) Individual shareholders holding nominal share capital up to Rs. 2lakh         | 1948000  | 16600  | 1964600 | 9.3197  | 1458000 | 16600  | 1474600 | 6.9953  | NIL    |
| ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh | 7583000  | 969700 | 8552700 | 40.5726 | 7109000 | 829700 | 7938700 | 37.6599 | NIL    |
| c) Others (specify)  | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| Non Resident Indians   | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| Overseas Corporate Bodies  | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| Foreign Nationals  | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| Clearing Members   | 16000    | 0      | 16000   | 0.0759  | 16000   | 0      | 16000   | 0.0759  | 0      |
| Trusts   | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| Foreign Bodies - D R   | NIL      | NIL    | NIL     | NIL     | NIL     | NIL    | NIL     | NIL     | NIL    |
| <b>Sub-total (B)(2):-</b>  | 10190000 | 986300 | 1117630 | 53.0185 | 9598000 |        | 9608300 |         | 2.8065 |

## ALACRITY SECURITIES LTD.

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

### B) Shareholding of Promoter-

| SN | Shareholder's Name          | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in shareholding during the year |
|----|-----------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
|    |                             | No. of Shares                             | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |  |
| 1  | POOJA HEMANSHU MEHTA        | 10776700                                  | 51.1229                          | 0  | 10776700                            | 51.1229                          | 0  | NIL                                      |
| 2  | HEMANSHU RAMNIKLAL MEHTA    | 159000                                    | 0.7543                           | 0  | 159000                              | 0.7543                           | 0  | NIL                                      |
| 3  | Odyssey Corporation Limited | 0   | 0                                |  | 536000                              | 2.5427                           | 536000   | 2.5427                                   |

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

| SN | Particulars                 | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  | Shareholding at the end of the year |                                  |
|----|-----------------------------|---|----------------------------------|---|----------------------------------|-------------------------------------|----------------------------------|
|    |                             | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company | No. of shares                       | % of total shares of the company |
| 1  | POOJA HEMANSHU MEHTA        | 10776700                                  | 51.12                            | NIL                                     | NIL                              | 10776700                            | 51.1229                          |
| 2  | HEMANSHU RAMNIKLAL MEHTA    | NIL                                       | NIL                              | NIL                                     | NIL                              | NIL                                 | NIL                              |
| 3  | ODYSSEY CORPORATION LIMITED | NIL                                       | NIL                              | 536000                                  | 2.5427                           | 536000                              | 2.5427                           |

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

| SN | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year 01/04/2017 |                                  | Cumulative Shareholding during the Year 1/04/2017 – 31/03/2018 |                                  | Shareholding at the end of the financial year 31/03/2018 |                                  |
|----|-------------------------------------|--|----------------------------------|--|----------------------------------|--|----------------------------------|
|    |                                     | No. of shares  | % of total shares of the company | No. of shares  | % of total shares of the company | No. of shares  | % of total shares of the company |
| 1  | <b>Rakhi S Bohra</b>                | 500000   | 2.3719                           | NIL  | NIL                              | 500000   | 2.3719                           |
| 2  | <b>Anish Dilip Shah</b>             | 500000   | 2.3719                           | NIL  | NIL                              | 500000   | 2.3719                           |
| 3  | Manish Dilip Shah                   | 500000   | 2.3719                           | NIL  | NIL                              | 500000   | 2.3719                           |
| 4  | <b>Jigar Prataprai Vohra</b>        | 500000   | 2.3719                           | NIL  | NIL                              | 500000   | 2.3719                           |
| 5  | Sheetal Jigar Vohra                 | 500000   | 2.3719                           | NIL  | NIL                              | 500000   | 2.3719                           |
| 6  | <b>Monica Ramesh Shah</b>           | 500000   | 2.3719                           | NIL  | NIL                              | 500000   | 2.3719                           |
| 7  | <b>Moin Akhtar Qureshi</b>          | 312000   | 1.4801                           | NIL  | NIL                              | 312000   | 1.4801                           |
| 8  | <b>Nasreen Moin Quresi</b>          | 280000   | 1.3283                           | NIL  | NIL                              | 280000   | 1.3283                           |
| 9  | <b>Vipul Ajitkumar Dave</b>         | 250000   | 1.1860                           | NIL  | NIL                              | 250000   | 1.1860                           |
|    |                                     |  |                                  |  |                                  |  |                                  |

**E) Shareholding of Directors and Key Managerial Personnel:**

| SN | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year 1/04/2017 |                                  | Date Wise/Increase/Decrease/in Shareholding . |                                  | Cumulative Shareholding during the year/at the end of the year 31/03/2018 |                                  |
|----|--|---|----------------------------------|---|----------------------------------|---|----------------------------------|
|    |  | No. of shares                                       | % of total shares of the company | No. of shares                                 | % of total shares of the company | No. of shares   | % of total shares of the company |
| 1  | <b>Jai Prakash Jindal Independent Director</b>                   | NIL   | NIL                              | NIL movement during the year                  |                                  | NIL   | NIL                              |
| 2  | <b>Ankur Mehta Independent Director</b>                          | NIL   | NIL                              | NIL   |                                  | NIL   | NIL                              |
| 3  | Nipa P Sheth Executive Director                                  | NIL   | NIL                              | Nil Movement during the year                  |                                  | NIL   | NIL                              |
| 4  | Hiten R Mehta Whole Time Director a& CFO                         | NIL   | NIL                              | NIL Movement during the year                  |                                  | NIL   | NIL                              |
| 5  | Kishore V Shah   | NIL   | NIL                              | NIL Movement during the year                  |                                  | NIL   | NIL                              |

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

## ALACRITY SECURITIES LTD.

|   | Secured Loans<br>excluding<br>deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|---|--|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | 5,47,24,502                            | NIL                | NIL      | 5,47,24,502           |
| i) Principal Amount                                 | 5,47,24,502                            | NIL                | NIL      | 5,47,24,502           |
| ii) Interest due but not paid                       | NIL                                    | NIL                | NIL      | NIL                   |
| iii) Interest accrued but not due                   | NIL                                    | NIL                | NIL      | NIL                   |
| Total (i+ii+iii)                                    | 5,47,24,502                            | NIL                |          | 5,47,24,502           |
| Change in Indebtedness during the financial year    |  | NIL                | NIL      |                       |
| * Addition  | 3503374                                | NIL                | NIL      | 3503374               |
| * Reduction   | 650892                                 | NIL                | NIL      | 650892                |
| Net Change  |  | NIL                | NIL      |                       |
| Indebtedness at the end of the financial year       |  | NIL                | NIL      |                       |
| i) Principal Amount                                 | 5,75,76,984                            | NIL                | NIL      | 5,75,76,984           |
| ii) Interest due but not paid                       | NIL                                    | NIL                | NIL      | NIL                   |
| iii) Interest accrued but not due                   | NIL                                    | NIL                | NIL      | NIL                   |
| Total (i+ii+iii)                                    | 5,75,76,984                            | NIL                | NIL      | 5,75,76,984           |

### XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

| SN. | Particulars of Remuneration   | WTD          | WTD/CFO        | Total Amount |
|-----|---|--------------|----------------|--------------|
|     |   | Nipa P Sheth | Kishore V Shah |              |
| 1   | Gross salary  | 201500       | 789250         | 946500       |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 201500       | 789250         | 946500       |
|     | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -            |                |              |
|     | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             | -            |                |              |
| 2   | Stock Option  | -            |                |              |
| 3   | Sweat Equity  | -            |                |              |
| 4   | Commission<br>- as % of profit<br>- others, specify...                              | -            |                |              |
| 5   | Others, please specify(Bonus and Leave encashment                                   | -            |                |              |
|     | Total (A)   | 201500       | 7,89,250       | 9,46,500     |
|     | Ceiling as per the Act  |              |                |              |

#### B. Remuneration to other directors

| SN. | Particulars of Remuneration |  |  |  |  |
|-----|-----------------------------|--|--|--|--|
|-----|-----------------------------|--|--|--|--|



**ALACRITY SECURITIES LTD.**

|   |  | Hiten R Mehta | Ankur Mehta | Jai Prakash Jindal | Total Amount |
|---|--|---------------|-------------|--------------------|--------------|
| 1 | <b>Independent Directors</b>               | NIL           | NIL         | NIL                | NIL          |
|   | Fee for attending board committee meetings |               |             |                    |              |
|   | Commission                                 |               |             |                    |              |
|   | Others, please specify                     |               |             |                    |              |
|   | Total (1)                                  |               |             |                    |              |
| 2 | <b>Other Non-Executive Directors</b>       |               |             |                    |              |
|   | Fee for attending board committee meetings | NIL           | NIL         | NIL                | NIL          |
|   | Commission                                 |               |             |                    |              |
|   | Others, please specify                     |               |             |                    |              |
|   | Total (2)                                  |               |             |                    |              |
|   | Total (B)=(1+2)                            |               |             |                    |              |
|   | <b>Total Managerial Remuneration</b>       |               |             |                    |              |
|   | <b>Overall Ceiling as per the Act</b>      |               |             |                    |              |

Due to inadequate profit of the Company, the Board of Directors decided not to pay sitting fees and commission to the Directors for attending meetings for the financial year 2017-18.

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

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

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

| Type              | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| <b>A. COMPANY</b> |                              |                   |   |                              |                                    |
| Penalty           |                              |                   |   |                              |                                    |

**ALACRITY SECURITIES LTD.**

|                              |      |
|------------------------------|------|
| Punishment                   | NONE |
| Compounding                  |      |
| B. DIRECTORS                 |      |
| Penalty                      | NONE |
| Punishment                   |      |
| Compounding                  |      |
| C. OTHER OFFICERS IN DEFAULT |      |
| Penalty                      | NONE |
| Punishment                   |      |
| Compounding                  |      |

**Annexure-II**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH, 2018

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

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

To,  
The Members,  
Alacrity Securities Limited

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

Based on my verification of the **Alacrity Securities Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Alacrity Securities Limited for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) The other laws as may be applicable specifically to the company

a) The Securities and Exchange Board of India (Stock Brokers and Sub- Broker) Regulation, 1992.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India -Complied

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Ltd.

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

### **I further report, that**

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

As informed by the Company, due to inadequate profit during the year, the Board has decided not to pay sitting fees to the Directors for the financial year 2017-18.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decision at the Board Meetings was taken unanimously.

**ALACRITY SECURITIES LTD.**

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

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

Nishu Jain & Associates  
Company Secretaries

Sd/-

Nishu Jain

FCS: 9170, C P No.:14802

Place: Mumbai

Date: August 10, 2018

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

## **‘ANNEXURE A’**

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

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, Nishu Jain & Associates  
Sd/-  
Nishu Jain  
Practicing Company Secretary  
M. NO.: F9170, CP: 14802

Date: August 10<sup>th</sup>, 2018

Place: Mumbai

## **CORPORATE GOVERNANCE**

### **COMPANY'S PHILOSOPHY:**

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

### **Regulation 27(2)**

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

### **Governance Policies**

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

**Audits and internal checks and balances**

**M/s. ABN & Co.,** Chartered Accountants, FR No.004447C audit firms proposed as the Auditor of the Company due to rotation of Auditor's, as required by Companies Act 2013 . The Company has an Internal Audit Cell besides external firms acting as independent internal auditors that reviews internal controls and operating systems and procedures. A dedicated Legal Compliance Cell ensures that the Company conducts its businesses with high standards of legal, statutory and regulatory compliances.

**Best Corporate Governance practices**

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

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

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

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

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

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

**Shareholders' communications**

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



**Role of the Company Secretary in overall governance process**

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

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

As on 31 March 2018, Alacrity's, Board comprised of **Five** Directors. The Board functions either as a full Board or through committee. Policy formulation, setting up of goals and evaluation of performance and control functions vests with the Board while the Committees look after operational issues.

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

**Selection of Independent Directors**

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

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

**Familiarisation programmes for Board Members**

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held during the year. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

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

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

### **Lead Independent Director**

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

To preside over all meetings of Independent Directors

To ensure there is an adequate and timely flow of information to Independent Directors

To liaise between the Chairman , the Management and the Independent Directors

To preside over meetings of the Board and Shareholders when the Chairman and Directors is not present, or where he is an interested party

To perform such other duties as may be delegated to the Lead Independent Director by the Board/ Independent directors

### **Meetings of Independent Directors**

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

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

### **Code of Conduct**

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as maybe applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company. A copy of the Code has been put on the Company's website ([www.alacritysec.com](http://www.alacritysec.com)).

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

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

**Whistle Blower policy**

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

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

**Directors' Profile**

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

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

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long term interests are being served. The Board has constituted four Committees, namely Audit

Committee, Nomination and Remuneration committee, Stakeholders' Relationship Committee, and Risk Management Committee. The Board is authorised to constitute additional functional Committees, from time to time, depending on business needs.

**Scheduling and selection of agenda items for Board meetings**

Minimum five pre-scheduled Board meetings are held annually. Additional Board meetings are convened by giving appropriate notice to address the Company's specific needs.

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

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

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

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

- Quarterly / Annual Secretarial Audit reports submitted by Secretarial Auditors
- Dividend declaration
- Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made
- Significant changes in accounting policies and internal controls
- Takeover of a company or acquisition of a controlling or substantial stake in another company
- Statement of significant transactions, related party transactions and arrangements entered by unlisted subsidiary companies
- Issue of securities including debentures
- Recommending appointment of and fixing of remuneration of the Auditors as recommended by the
- Audit Committee
- Internal Audit findings and External Audit Reports (through the Audit Committee)
- Status of business risk exposures, its management and related action plans
- Making of loans and investment of surplus funds
- Borrowing of monies, giving guarantees or providing security in respect of loans
- Buyback of securities by the Company
- Diversify the business of the Company
- Brief on statutory developments, changes in government policies, among others with impact
- thereof, Directors' responsibilities arising out of any such developments
- Compliance Certificate certifying compliance with all laws as applicable to the Company
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996
- Brief on information disseminated to the press
- The Chairman of the Board and Company Secretary, in consultation with other concerned members of the senior management, finalise the agenda for Board meetings.
- The agenda and notes on agenda are circulated to Directors in advance, and in the defined agenda format.
- All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted with permission of Chairman

### **Recording minutes of proceedings at Board and Committee meetings**

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

**Post meeting follow-up mechanism**

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

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

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

**Number of Board meetings held with dates:**

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

In 2017-18 the Board of the Company met Seven times on 26<sup>th</sup> April, 2017, 30<sup>th</sup> May, 2017, 14<sup>th</sup> August 2017, 14<sup>th</sup> November 2017, , 14<sup>th</sup> December 2017, 23 January 2018, and 14<sup>th</sup> February 2018.

**c) Directors' Attendance Record and Directorships:**

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

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

| Name of the Directors | Category of Directorship  | Attendance Particulars   |          |          | No. of other Directorships and Committee membership / Chairmanships in other Indian public companies |                       |                         |
|-----------------------|---------------------------|--------------------------|----------|----------|--|-----------------------|-------------------------|
|                       |                           | Number of Board Meetings |          | Last AGM | Other Directorships  | Committee Memberships | Committee Chairmanships |
|                       |                           | Held                     | Attended |          |  |                       |                         |
| Mr. Ankur Mehta       | Non Executive Independent | 7                        | 7        | Yes      | ---  | ---                   | ---                     |

| 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 Mehta       | Non Executive Director    | 7                        | 7        | Yes      | 5  |                       |                         |
| Mr. Kishore V Shah    | Executive Director        | 7                        | 6        | Yes      | --   | ---                   | ---                     |
| Jai Prakash Jindal    | Non-Executive Independent | 7                        | 7        | Yes      | 3  |                       |                         |
| Nipa P Sheth          | Executive Director        | 7                        | 6        | Yes      | --   |                       |                         |

**Directors' Remuneration:**

Due to inadequate profit of the Company the Board of Directors decided not to pay any sitting fees to the Directors for the financial year 2017-18, for attending meetings.

The remuneration paid to Mr. Kishore Shah , whole time Director is Rs 7,89,250, Mrs Nipa P Sheth Rs 2,01,500 for the Financial year 2017-2018.

**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 the Companies Act, 2013 and 52 of the SME listing Agreement and Regulation 27(2) of the Listing Regulations 2015, as applicable to be entered with Stock Exchange, vide resolution passed in the meeting of the Board of Directors.

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

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

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

### **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:



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

**b) REMUNERATION COMMITTEE**

Our Company has constituted a remuneration committee ("**Remuneration Committee**"). The Remuneration Committee was constituted vide resolution passed at the meeting of the Board of Directors held on 04<sup>th</sup> January, 2013. During the financial year, **one** meeting of Committee was held on **30<sup>th</sup> May 2017** to recommend the sitting fee payable to the all the Non executive Directors

| Sr. No. | Name of the Director  | Status   | Nature of Directorship              |
|---------|-----------------------|----------|-------------------------------------|
| 1.      | Mr. Jaiprakash Jindal | Chairman | Independent Director                |
| 2.      | Mr. Ankur Mehta       | Member   | Independent Director                |
| 3.      | Ms. Hiten R Mehta     | Member   | Non Executive and promoter Director |

**c) SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE**

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

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

**d) Code of Conduct:**

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

**e) INVESTOR COMPLAINTS**

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

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

**e) PERFORMANCE EVALUATION COMMITTEE**

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

**Name of The Member Designation**

Ankur Mehta - Chairman

Hiten R Mehta - Member

Kishore V Shah - Member

The committee met 1 times during the financial year ended March 31, 2018. The attendance record of the members at the meeting were as follows

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

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

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

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

### **III. Subsidiary Companies**

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

### **IV) Risk Management Committee**

#### **Composition of the Committee**

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

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

#### **Role and Responsibilities of the Committee includes the following:**

- Framing of Risk Management Plan and Policy

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

**IV. DISCLOSURES:**

- There were no materially significant related party transactions during the year that may have potential conflict with the interest of the Company at large.
- There were no instances of any material non compliance during the last three years by the Company on any matter related to capital markets. There was no penalties imposed nor did strictures pass on the company by stock exchanges, SEBI or any statutory authority.
- All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board, and the interested Directors do not participate in the discussion nor do they vote on such matters.
- The Company has followed the Accounting Standard issued by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements and there were no Audit qualification in this regard.
- Transactions with related parties are disclosed– ‘Notes forming part of the Accounts’ annexed to the financial statements of the year.
- In terms of Listing Agreement/Listing Regulations 2015 as applicable, the Chief Executive Officer have furnished a certificate for the financial year ended 31<sup>st</sup> March 2018 to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls, The said certificate is attached at the end of the report.
- Proceeds from the Initial Public Offer of the Company: The Details about the utilization of the proceeds raised through Initial Public Offer of equity shares of the Company are disclosed to the Audit
- Committee. The Company has not utilized these funds for the purposes other than those mentioned in the prospectus of the Company.

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

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

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

##### **Details of last three Annual General Meetings:**

| <b>Financial year</b> | <b>Date</b>  | <b>Time</b> | <b>Venue</b>  |
|-----------------------|--------------|-------------|---|
| 2014-2015             | 29 Sept,2015 | 10.00 A.M   | B-102, Haridarshan,<br>Bhogilal Phadia Road,<br>Kandivli [West]<br>Mumbai 400 067 |
| 2015-2016             | 29 Sept,2016 | 10.00 A.M   | B-102, Haridarshan,<br>Bhogilal Phadia Road,<br>Kandivli [West]<br>Mumbai 400 067 |
| 2016-2017             | 28 Sept,2017 | 10.00 A.M   | B-102, Haridarshan,<br>Bhogilal Phadia Road,<br>Kandivli [West]<br>Mumbai 400 067 |

Resolutions under

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

#### **VI. MEANS OF COMMUNICATION:**

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

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

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

**B. Annual Report:**

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

**C. Corporate Filing and Dissemination System (CFDS):**

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

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

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

**E. SEBI Complaints Redress System (SCORES):**

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

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

**F. Designated Exclusive email-id:**

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

alacritysec@gmail.com

## **VII. MANAGEMENT DISCUSSION & ANALYSIS.**

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

## **VIII. GENERAL SHAREHOLDERS INFORMATION:**

### **Company Registration Details**

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

#### **a) Annual General Meeting:**

**Date:** 26<sup>th</sup> September, 2018

**Day :** Wednesday

**Time:** 10.00 AM

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

Mumbai 400 067.

#### **b) Financial Calendar:**

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

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

First Half-year : Second week of November 2018

Second Half-year : Last week of May 2019

#### **d) Book Closure:**

The books will be closed from 21.09.2018 to 26.09.2018 (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 2018-19.

### **Payment of Depository Fees**

The Company has paid Annual Custody/Issuer fee for the year 2018-19 to NSDL and CDSL .

BSE Stock Codes: 535916

**ISIN for Dematerialization: INE030P01017**

**g) Market Price Data :**The monthly high and low prices of company's equity shares at Bombay Stock Exchange Limited (BSE) for the year 2017-18

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

| <b>Month</b>   | <b>High<br/>(Rs.)</b> | <b>Low<br/>(Rs.)</b> |
|----------------|-----------------------|----------------------|
| April 2017     | 9.15                  | 7.80                 |
| May 2017       | 7.00                  | 7.00                 |
| June 2017      | 6.65                  | 5.00                 |
| July 2017      | 10.05                 | 6.70                 |
| August 2017    | 10.00                 | 8.00                 |
| September 2017 | 8.50                  | 7.70                 |
| October 2017   | 9.10                  | 9.10                 |
| November 2017  | 9.30                  | 8.29                 |
| December 2017  | -                     | -                    |
| January 2018   | 11.00                 | 8.00                 |
| February 2018  | 10.00                 | 10.00                |
| March 2018     | 8.00                  | 6.00                 |

**h) Shareholding Pattern:**

**Share Holding Pattern as on 31 March 2018 given below:**

| <b>Category</b> | <b>No. of shares<br/>held</b> | <b>Shareholding %</b> |
|-----------------|-------------------------------|-----------------------|
|-----------------|-------------------------------|-----------------------|



|                             |                 |               |
|-----------------------------|-----------------|---------------|
| Promoters                   | <b>10935700</b> | 51.8771       |
| Clearing Members            | 16000           | 0.0759        |
| Private Bodies<br>Corporate | 179000          | 0.8492        |
| Resident Individuals        | 9413300         | 44.6551       |
| Group Company               | 536000          | 2.5427        |
| <b>Total</b>                | <b>21080000</b> | <b>100.00</b> |

**i) Distribution of shareholding as on 31<sup>st</sup> March 2018:**

| Range (in Rs)      | Number of<br>shareholders | Shares amount<br>(in Rs) | Shareholding % |
|--------------------|---------------------------|--------------------------|----------------|
| Up to 5000         | 2                         | 6000                     | 0.0028         |
| 20,001 to 30000    | 1                         | 30000                    | 0.0142         |
| 50,001 to 1,00,000 | 128                       | 10280000                 | 4.8767         |
| 1,00,001 and above | 124                       | 200484000                | 95.1063        |
| <b>Total</b>       | <b>319</b>                | <b>210800000</b>         | <b>100.00</b>  |

**i) Share Transfer System:**

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

**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 31<sup>st</sup> March, 2018: 95.9852%**

| Category                       | 31/03/2018 |
|--------------------------------|------------|
| Shares in Demat mode with NSDL | 4673000    |
| Shares in Demat mode with CDSL | 15560700   |
| Shares in Physical mode        | 00846300   |
| Total                          | 21080000   |

**l) Investor Correspondence Address:**

**Big Share Services Pvt. Ltd.**

E-2, Ansa Industrial Estate,

Saki Vihar Road, Sakinaka,

Andheri [East],

Mumbai 400 072.

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

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

**COMPLIANCE CERTIFICATE OF THE AUDITORS**

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

**ADOPTION OF MANDATORY AND NONMANDATORY REQUIREMENTS OF LISTING REGULATIONS 2015.**

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

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

**Reporting of Internal Auditor**

The Internal Auditor directly reports to the Audit committee

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

**D E C L A R A T I O N**

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

I, Kishore V Shah whole Time Director and Chief Financial Officer of ALACRITY SECURITIES LIMITED provided under regulation 27(2) of the Listing Regulations 2015. I hereby declare that all the Board members and Senior Management personnel of the company have confirmed compliance with the code of conduct for the financial year ended 31 March 2018.

**FOR Alacrity Securities Limited**

|                           |                     |
|---------------------------|---------------------|
| Whole Time Director & CFO | Whole Time Director |
| Sd/-                      | Sd/-                |

|                |              |
|----------------|--------------|
| Kishore V Shah | Nipa P Sheth |
|----------------|--------------|

Date August 14, 2018  
Place: Mumbai



**S.C. Kabra**  
B.Com., FCA, ACS, DISA (ICAI)  
**B. M. Bhandari**  
B.Com., FCA  
**Vinod Jain**  
B.Com., FCA

**ABN & Co.**  
CHARTERED ACCOUNTANTS

612, Vakratunda Corporate Park,  
Vishweshwar Nagar, Near Udipi Vihar,  
Off Aarey Road, Goregaon (E),  
Mumbai - 400 063.  
Tel. : 022 - 66719058 / 66719417  
E-Mail : sckabra@hotmail.com

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
Alacrity Securities Limited  
Mumbai

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance for the year ended 31<sup>st</sup> March, 2018 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 1<sup>st</sup> April 2017 to 31<sup>st</sup> March, 2018.

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.



**OFFICES**

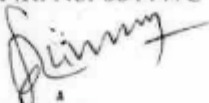
Indore (H.O.) ☎ 0731 - 4225229/4044770  
Durg ☎ 0788-2325820

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: 14.08.2018



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

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

**WHOLE TIME DIRECTOR AND CFO CERTIFICATION**

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

I have reviewed financial statements and the cash flow statement for the year 31<sup>st</sup> March 2018 and that to the best of our knowledge and belief:

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

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

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

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

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

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

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

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

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

Whole Time Director & CFO

Sd/-

Kishore V Shah

Whole Time Director

Sd/-

Nipa P Sheth

Date: 14<sup>th</sup> August, 2018

Place: Mumbai

**DETAILS OF DIRECTORS****DETAILS OF DIRECTORS**

**Mr. Hiten Mehta**, aged 50 years, is a Non-Executive Director of our Company. He studied in the field of commerce and acquired more than 25 years of experience in the stock market across research, dealing and execution with special focus on F & O segment of the Capital Markets. He oversees the operations of the Company with equal assistance from his dedicated team.

**Mr. Kishore V Shah**, aged 64 years is an Whole-Time Director and CFO of our Company. He is a Commerce Graduate and is well associated with the day to day affairs of the Company. He is predominantly responsible for Finance and Compliance division of the Company. He has been on the Board of Directors of our Company since July, 2009.

**Mr. Jai Prakash Jindal**, aged 64 years is an Independent Director of our Company. As an Independent Director, with corporate acumen he brings value addition to our Company. He has been on the Board of our Company since December, 2011.

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

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



## **MANAGEMENT DISCUSSION & ANALYSIS**

### **THE INDUSTRY OVERVIEW**

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

### **BUSINESS OVERVIEW**

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

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

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

**FINANCIAL HIGHLIGHTS:**

- 1) Paid up Share Capital of the Company as on 31<sup>st</sup> March 2018, stands at 21, 08, 00,000 divided into 21, 08, 00,00 number of equity Shares of Rs10/- each fully –paid up.
- 2) The amounts, as on ended of financial year in, Share Premium account is Rs 3,04,00,000 , General Reserves is Rs.53,50,000 and Surplus in Profit and Loss accounts is Rs 6933062.
- 3) Income from operation stood at Rs. 75,37,27,344/- for fiscal 2018
- 4) Profit/Loss before Taxes of fiscal 2018 was Rs. 5315908
- 5) Basic Earnings per Share for fiscal 2018 was Rs 0.33
- 6) Net Worth of the company stood at Rs.17,46,57,251/- as on March 2018

**REGULATORY:**

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

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

**INTENSE COMPETITION**

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

**MANPOWER & EMPLOYEE RELATIONS:**

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

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

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

**INTERNAL CONTROL SYSTEM AND ADEQUACY:**

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

**CAUTIONARY STATEMENT**

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

**For Alacrity Securities Limited  
Whole Time Director**

Kishore V Shah  
01975061

**W h o l e   T i m e   D i r e c t o r**

Nipa P Sheth  
07420589

# **Independent Auditors' Report**

To the Members of Alacrity Securities Limited

## **Report on the Financial Statements**

We have audited the accompanying financial statements of Alacrity Securities Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility**

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

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

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

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

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

### **Basis for Qualified Opinion**

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

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in the basis for Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018 and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

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

2. As required by Section 143 (3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph above, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - f. The matter described in the Basis for Qualified Opinion paragraph above, in our opinion may not have an adverse effect on the functioning of the company.
  - g. On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - h. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
  - i. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements Refer to Note 26 (ii) 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.

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

Place: Mumbai  
Date: May 30, 2018

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, 2018**

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. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the activities of the company.
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, and excise duty were outstanding, at the year end for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.

- viii. 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.
- 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 them.
- 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, 2018

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 31<sup>st</sup> March 2018 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 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Mumbai  
Date: May 30, 2018

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

# **Independent Auditors' Report**

To the Members of Alacrity Securities Limited

## **Report on the Financial Statements**

We have audited the accompanying financial statements of Alacrity Securities Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility**

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

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

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

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

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

### **Basis for Qualified Opinion**

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

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in the basis for Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018 and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

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

2. As required by Section 143 (3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph above, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - f. The matter described in the Basis for Qualified Opinion paragraph above, in our opinion may not have an adverse effect on the functioning of the company.
  - g. On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - h. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
  - i. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements Refer to Note 26 (ii) 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.

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

Place: Mumbai  
Date: May 30, 2018

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, 2018**

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. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the activities of the company.
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, and excise duty were outstanding, at the year end for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.

- viii. 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.
- 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 them.
- xvi. The Company is not required to be registered under section 45-IA of Reserve Bank of India Act 1934.

Place: Mumbai  
Date: May 30, 2018

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

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 31<sup>st</sup> March 2018 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 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Mumbai  
Date: May 30, 2018

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

| Description                                 | Current Year   | Previous Year  |
|---|----------------|----------------|
| <b>Managerial Remuneration &amp; Salary</b> |                |                |
| Hiten R Mehta                               | --             | 154000         |
| Kishore V Shah                              | 789250         | 715000         |
| Nipa Prashant Sheth                         | 201500         | 77500          |
| <b>Total</b>                                | <b>990750</b>  | <b>946500</b>  |
| <b>Rent Received</b>                        |                |                |
| Pooja Equiresearch Ltd.                     | 30000          | 30000          |
| <b>Sub-Brokerages Paid</b>                  |                |                |
| Meeta Mehta                                 | 1833534        | 1930636        |
| Mihir K Shah                                | 35325          | 5969           |
| <b>Total</b>                                | <b>1868859</b> | <b>1936605</b> |

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

iii) Balance as on 31<sup>st</sup> March 2018

(In Rs.)

| Description                | (i) above | (ii) above     | (iii) above |
|----------------------------|-----------|----------------|-------------|
| Pooja Equiresearch Pvt Ltd |           | --<br>(--)     |             |
|                            |           | 204769<br>(--) |             |

**29. Earning per Share (EPS):**

|                         | 2017-18  | 2016-17  |
|-------------------------|----------|----------|
| Net Profit              | 6921889  | 4806067  |
| Face value of Share     | 10       | 10       |
| Total No. issued Shares | 21080000 | 21080000 |
| Earnings per Share      | 0.33     | 0.23     |

**ALACRITY SECURITIES LTD  
BALANCE SHEET AS AT 31/03/2018**

| Particulars                        | Note No. | As at 31/03/2018  |                    | As at 31/03/2017  |                    |
|------------------------------------|----------|-------------------|--------------------|-------------------|--------------------|
|                                    |          | Rs.               | Rs.                | Rs.               | Rs.                |
| I. EQUITY AND LIABILITIES          |          |                   |                    |                   |                    |
| Shareholders' Funds                |          |                   |                    |                   |                    |
| (a) Share Capital                  | 2        | 210,800,000       |                    | 210,800,000       |                    |
| (b) Reserves and Surplus           | 3        | <u>54,158,606</u> | 264,958,606        | <u>47,225,545</u> | 258,025,545        |
| Non - current liabilities          |          |                   |                    |                   |                    |
| (a) Long term borrowings           | 4        | 2,722,896         |                    | 3,449,108         |                    |
| (b) Deferred tax liabilities (Net) | 5        | <u>456,685</u>    | 3,179,581          | <u>2,073,838</u>  | 5,522,946          |
| Current Liabilities                |          |                   |                    |                   |                    |
| (a) Short Term Borrowings          | 6        | 54,127,876        |                    | 50,624,502        |                    |
| (b) Trade Payables                 | 7        | 68,430,150        |                    | 27,085,413        |                    |
| (c) Other Current Liabilities      | 8        | 2,349,406         |                    | 3,059,194         |                    |
| (d) Short Term Provisions          | 9        | <u>14,597,713</u> | 139,505,145        | <u>13,612,273</u> | 94,381,382         |
| TOTAL                              |          |                   | <u>407,643,332</u> |                   | <u>357,929,873</u> |

**II. ASSETS****Non - current assets**

|                                |    |            |            |            |            |
|--------------------------------|----|------------|------------|------------|------------|
| (a) Fixed Assets               |    |            |            |            |            |
| (i) Tangible assets            | 10 | 9,940,629  |            | 12,253,993 |            |
| (ii) Intangible assets         |    | 106,671    |            | 182,062    |            |
|                                |    | 10,047,301 |            | 12,436,056 |            |
| (b) Non - current investments  | 11 | 40,436,169 |            | 62,153,378 |            |
| (c) Long Term Loans & Advances | 12 | 8,162,166  | 58,645,636 | 8,162,166  | 82,751,600 |

**Current Assets**

|                                   |    |             |             |             |             |
|-----------------------------------|----|-------------|-------------|-------------|-------------|
| (a) Inventories                   | 13 | 100,574,758 |             | 80,647,316  |             |
| (b) Trade receivables             | 14 | 55,402,002  |             | 22,243,436  |             |
| (c) Cash and cash equivalents     | 15 | 124,244,445 |             | 104,720,970 |             |
| (d) Short term loans and advances | 16 | 66,159,662  |             | 64,763,591  |             |
| (e) Other Current Assets          | 17 | 2,616,829   | 348,997,696 | 2,802,960   | 275,178,273 |

**TOTAL****407,643,332** **357,929,873**

|                                  |         |
|----------------------------------|---------|
| 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

**Nipa Prashant Sheth**

Whole Time Director

**Kishore Shah**

Whole Time Director &amp; CFO

**Place: Mumbai****Date: 30.05.2018****Amrita Sogani**

(Company Secretary &amp; Compliance Officer)

**ALACRITY SECURITIES LTD**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March 2018**

| Particulars  | Note | 2017-18            |     | 2016-17            |     |
|--|------|--------------------|-----|--------------------|-----|
|  | No.  | Rs.                | Rs. | Rs.                | Rs. |
| Revenue from Operations                              | 18   | 753,727,344        |     | 324,735,488        |     |
| Other Income   | 19   | 9,426,226          |     | 8,623,689          |     |
| <b>Total Revenue</b>                                 |      | <b>763,153,570</b> |     | <b>333,359,176</b> |     |
| Expenses   |      |                    |     |                    |     |
| Purchase of Shares                                   |      | 743,507,382        |     | 307,142,048        |     |
| Changes in inventories of finished goods             | 20   | -19,927,442        |     | -4,385,902         |     |
| Employee benefits expense                            | 21   | 3,896,624          |     | 3,574,966          |     |
| Finance costs  | 22   | 8,044,265          |     | 6,183,116          |     |
| Depreciation and amortization expenses               | 23   | 2,707,828          |     | 1,826,969          |     |
| Other expenses                                       | 24   | 19,609,006         |     | 12,304,551         |     |
| <b>Total Expenses</b>                                |      | <b>757,837,662</b> |     | <b>326,645,749</b> |     |
| Profit / (-) Loss before tax                         |      | 5,315,908          |     | 6,713,428          |     |
| <b>Tax expense:</b>                                  |      |                    |     |                    |     |
| Current tax  |      | 983,183            |     | 193,273            |     |
| Deferred tax   |      | -1,617,153         |     | 1,907,361          |     |
| MAT Credit (Entitlement)/ availed                    |      | -983,183           |     | -193,273           |     |
|  |      | -1,617,153         |     | 1,907,361          |     |
| Net Profit / (-) Loss for the Year                   |      | <b>6,933,062</b>   |     | <b>4,806,067</b>   |     |
| Earning per equity share:                            |      |                    |     |                    |     |
| Basic & Diluted in Rs (Par Value of Rs 10 Per Share) |      | 0.33               |     | 0.23               |     |
| 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

**Nipa Prashant Sheth**

Whole Time Director

**Kishore Shah**

Whole Time Director & CFO

**Place: Mumbai**

**Date: 30.05.2018**

**Amrita Sogani**

(Company Secretary & Compliance Officer)

**ALACRITY SECURITIES LTD**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

| Sr.No    | Particulars   | For the year ended March 2018        | For the year ended March 2017         |
|----------|---|--------------------------------------|---------------------------------------|
| <b>A</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                |                                      |                                       |
| 1)       | Net Profit Before Tax                                     | 5,315,908                            | 6,713,428                             |
| 2)       | Adjustments for:  |                                      |                                       |
|          | Depreciation and Amortization Expences                    | 2,657,743                            | 1,826,969                             |
|          | loss/(profit) on sale of fixed assets                     | (5,631,106)                          | -                                     |
|          | Finance Costs   | 8,044,265                            | 6,183,116                             |
|          | investment written off                                    | -                                    | 1,000,000                             |
|          | Loss/(profit) on sale of investments                      | 4,188,742                            | (943,020)                             |
|          | Dividend Income   | (144,352)                            | (354,164)                             |
|          | Interest Income   | (7,690,421)                          | (7,267,546)                           |
|          | Short Term capital Loss                                   | -                                    | 757,729                               |
|          |   | <u>1,424,872</u>                     | <u>1,203,084</u>                      |
|          | Operating profit before working capital changes           | <u><b>6,740,780</b></u>              | <u><b>7,916,512</b></u>               |
| 3)       | Adjustments for:  |                                      |                                       |
|          | Decrease/(increase) in trade receivables                  | (33,158,566)                         | -13,249,970                           |
|          | Decrease/(increase) in inventories                        | (19,927,442)                         | -4,385,902                            |
|          | Decrease/(increase) in short term loans & advances        | (410,631)                            | -8,361,969                            |
|          | Decrease/(increase) in other current assets               | (410,546)                            | -1,211,624                            |
|          | Increase/(decrease) in trade payable                      | 41,344,737                           | 20,360,627                            |
|          | Increase/(decrease) in short term borrowings              | 3,503,374                            | -39,942,718                           |
|          | Increase/(decrease) in other liabilities                  | (709,788)                            | 12,691                                |
|          |   | <u>(9,768,861)</u>                   | <u>12,691</u>                         |
|          | Cash generated from operation                             | -3,028,081                           | -38,862,353                           |
| 4)       | Taxes Paid (net)  | -                                    | -                                     |
|          | Net cash from operating activities                        | <u><b>A -3,028,081</b></u>           | <u><b>A -38,862,353</b></u>           |
| <b>B</b> | <b>CASH FROM INVESTING ACTIVITIES</b>                     |                                      |                                       |
| 1)       | Purchase of fixed assets                                  | (551,206)                            | (4,643,050)                           |
| 2)       | Purchase of intangible assets                             | -                                    | (11,660)                              |
| 3)       | Sale/disposal of fixed assets                             | 6,510,000                            | -                                     |
| 4)       | Purchase of current and non current investments           | -977,608                             | -                                     |
| 5)       | Proceeds from sale of current and non current investments | 18,506,075                           | 6,740,891                             |
| 6)       | Dividend on investments                                   | 144,352                              | 354,164                               |
| 7)       | Interest received   | 7,690,421                            | 7,267,546                             |
| 8)       | Proceeds from other non current Assets                    | -                                    | -                                     |
|          |   | <u>31,322,033</u>                    | <u>9,707,891</u>                      |
|          | Net Cash form /(used in) investing activities             | <u><b>B 31,322,033</b></u>           | <u><b>B 9,707,891</b></u>             |
| <b>C</b> | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                |                                      |                                       |
| 1)       | Interest and finance cost paid                            | (8,044,265)                          | (6,183,116)                           |
| 2)       | Proceeds from borrowing (net)                             | (726,212)                            | 3,449,108                             |
| 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              | <u><b>C (8,770,477)</b></u>          | <u><b>C (2,734,008)</b></u>           |
|          | <b>Net increase in cash and cash equivalents</b>          | <u><b>(A+B+C) 19,523,475</b></u>     | <u><b>(A+B+C) -31,888,470</b></u>     |
|          | Cash and cash equivalents as at the beginning of the year | 104,720,970                          | 136,609,442                           |
|          | add: cash and cash equivalents taken over amaigamation    | -                                    | -                                     |
|          | Cash and cash equivalents as at the closed of the year    | <u><b>124,244,445 19,523,475</b></u> | <u><b>104,720,970 -31,888,472</b></u> |

**ALACRITY SECURITIES LTD****Notes to financial Statements for the year ended 31st March 2018****2 Share Capital:**

|  | As at 31/03/2018 |             | As at 31/03/2017 |           |
|--|------------------|-------------|------------------|-----------|
|  | No.              | Rs          | No.              | Rs        |
| <b>Authorized:</b>   |                  |             |                  |           |
| Equity shares of Rs. 10/- each (P.Y. Rs. 100/- each)         | 22000000         | 220000000   | 22000000         | 220000000 |
|  | 22000000         | 220000000   | 22000000         | 220000000 |
| <b>Issued, subscribed and fully paid up:</b>                 |                  |             |                  |           |
| <i>Equity shares of Rs. 10/- each (P.Y. Rs. 100/- each )</i> |                  |             |                  |           |
| At the beginning of the reporting period                     | 21,080,000       | 210,800,000 | 21080000         | 210800000 |
| <b>Issued during the reporting period</b>                    |                  |             |                  |           |
| Addition on Account of split in Share from Rs.100 to 10/-    | 0                | 0           | 0                | 0         |
| Bonus shares   | 0                | 0           | 0                | 0         |
| Alloted During the year                                      | 0                | 0           | 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        |

**3 Reserves and Surplus:**

| Particulars   | In Rs.        |                 |   |            |
|---|---------------|-----------------|---|------------|
|   | SHARE PREMIUM | Genral reserves | Surplus balance in Statement of Profit & Loss | Total      |
| At the beginning of the reporting period            | 30,400,000    | 5,350,000       | 11,475,544                                    | 47,225,544 |
| Transferred from/to Profit & Loss Account           | -             | -               | 6933062                                       | 6933062    |
| Allocation towards allotment of bonus shares        | -             | -               | -   | -          |
| Received 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                | 30,400,000    | 5,350,000       | 18,408,606                                    | 54,158,606 |
| At the close of the previous reporting period       | 30,400,000    | 5,350,000       | 6,669,478                                     | 42,419,478 |

**ALACRITY SECURITIES LTD**  
**Notes to financial Statements for the year ended 31st March 2018**

**4 Long term Borrowings**

In Rs.

| Particulars   | As at<br>31/03/2018 | As at 31/03/2017 |
|---|---------------------|------------------|
| <b>1) I) Secured Loans:</b>                                 |                     |                  |
| a. Term Loans   |                     |                  |
| (i) Vehicle Loan  |                     |                  |
| - from Banks  | 3449108             | 4100000          |
|   | <b>3449108</b>      | <b>4100000</b>   |
| Amount Disclosed under the Head "Other Current Liabilities" | <b>726212</b>       | <b>650892</b>    |
| (Note :8)   | <b>2722896</b>      | <b>3449108</b>   |

**Additional Information:**

Details of security for secured loans

Vehicle loan is secured against hypothecation of Vehicles

**5 Deferred Tax Assets & Liabilities**

| Particulars                                   |               |                |
|---|---------------|----------------|
| <b>i) I) Deferred tax liability:</b>          |               |                |
| a) On account of depreciation on fixed assets | 456685        | 2073838        |
| Total   | <b>456685</b> | <b>2073838</b> |

**ALACRITY SECURITIES LTD**  
**Notes to financial Statements for the year ended 31st March 2018**

**6 Short term Borrowings**

In Rs.

| Particulars              | As at<br>31/03/2018 | As at 31/03/2017  |
|--------------------------|---------------------|-------------------|
| <b>i) Secured Loans:</b> |                     |                   |
| a) Working Capital Loan  |                     |                   |
| Against FDR              | 54,107,982          | 50,624,502        |
| - from banks             |                     |                   |
| Against Shares           |                     |                   |
| - from banks             | 19,894              | -                 |
| <b>Total</b>             | <b>54,127,876</b>   | <b>50,624,502</b> |

**Additional Information:**

- i Loan against FDR is secured by way of lien of FDRs
- iii Loan against shares is secured against pledge of shares of company, Directors & Clients and personal guarantee of Mr.Himanshu Mehta,Mrs.Beena Mehta,Mr.Hiten Mehta and Ms.Pooja Mehta past & present directors of the company
- iii Vehicle loan is secured against hypothecation of Vehicles

**7 Trade Payables**

|  |                   |                   |
|--|-------------------|-------------------|
| i) To Micro, Small and Medium Enterprises          | -                 | -                 |
| ii) Others (Amt Due to Clients, Margin & Exchange) | 68,430,150        | 27,085,413        |
|  | <b>68,430,150</b> | <b>27,085,413</b> |

**8 Other current liabilities:**

Current maturities of Long-term Borrowings (Refer Note:6)

|  |                  |                  |
|--|------------------|------------------|
| a) Vehicle Loan                            |                  |                  |
| - from banks                               | 726,212          | 650,892          |
|  | <b>726,212</b>   | <b>650,892</b>   |
| b) Liabilities for Expenses                | 333,183          | 449,078          |
| c) Statutory Liabilities & outstanding Exp | 235,419          | 187,697          |
| d) Bank Book Overdraft                     | 209,756          | 1,123,856        |
| e) Advance Market Maker Fees Received      | 844,836          | 647,671          |
|  | <b>2,349,406</b> | <b>3,059,194</b> |

**9 Short term provisions:**

|                           |                   |                   |
|---------------------------|-------------------|-------------------|
| a) Provision for Taxation | 14,597,713        | 13,612,273        |
|                           | <b>14,597,713</b> | <b>13,612,273</b> |



**ALACRITY SECURITIES LTD**  
**Notes to financial Statements for the year ended 31st March 2018**

**10 Fixed Assets:**

In Rs

| Particulars              | GROSS BLOCK (AT COST) |                           |                                  | DEPRECIATION        |                  |                                  | NET BLOCK           |                     |
|--------------------------|-----------------------|---------------------------|----------------------------------|---------------------|------------------|----------------------------------|---------------------|---------------------|
|                          | As on<br>01/04/2017   | Additions for<br>the year | Deductions<br>during the<br>year | As on<br>31/03/2018 | For the<br>year  | Deductions<br>during the<br>year | As on<br>31/03/2018 | As on<br>31/03/2017 |
| <b>Tangible Assets</b>   |                       |                           |                                  |                     |                  |                                  |                     |                     |
| <b>Own assets</b>        |                       |                           |                                  |                     |                  |                                  |                     |                     |
| Office Premises          | 6,023,207             | -                         | 751,340                          | 5,271,867           | 88,307           | 115,411                          | 1,066,197           | 4,205,670           |
| Computers                | 1,703,009             | 28,514                    | -                                | 1,731,523           | 64,332           | -                                | 1,596,835           | 134,688             |
| Furniture & Fixtures     | 1,937,921             | 151,600                   | -                                | 2,089,521           | 89,084           | -                                | 1,759,142           | 330,379             |
| Vehicles                 | 16,205,192            | 51,408                    | 4,859,299                        | 11,397,301          | 1,688,202        | 4,616,334                        | 6,630,154           | 4,767,147           |
| Office Equipment         | 1,185,098             | 319,684                   | -                                | 1,504,782           | 53,129           | -                                | 1,098,425           | 406,356             |
| Electrical Inst          | 870,849               | -                         | -                                | 870,849             | 2,620            | -                                | 820,964             | 49,885              |
| Air Condition            | 930,106               | -                         | -                                | 930,106             | -                | -                                | 883,601             | 46,505              |
|                          | <b>28,855,382</b>     | <b>551,206</b>            | <b>5,610,639</b>                 | <b>23,795,949</b>   | <b>1,985,675</b> | <b>4,731,745</b>                 | <b>13,855,319</b>   | <b>9,940,629</b>    |
|                          |                       |                           |                                  |                     |                  |                                  |                     | <b>12,253,993</b>   |
| <b>Intangible assets</b> |                       |                           |                                  |                     |                  |                                  |                     |                     |
| Computer Software        | 1,892,808             | -                         | -                                | 1,892,808           | 75,391           | -                                | 1,786,137           | 106,671             |
|                          | <b>1,892,808</b>      | <b>0</b>                  | <b>-</b>                         | <b>1,892,808</b>    | <b>75,391</b>    | <b>-</b>                         | <b>1,786,137</b>    | <b>106,671</b>      |
|                          |                       |                           |                                  |                     |                  |                                  |                     | <b>182,062</b>      |
| <b>TOTAL</b>             | <b>30,748,190</b>     | <b>551,206</b>            | <b>5,610,639</b>                 | <b>25,688,757</b>   | <b>2,061,066</b> | <b>4,731,745</b>                 | <b>15,641,456</b>   | <b>10,047,301</b>   |
| <b>Previous Year</b>     | <b>26,093,480</b>     | <b>4,654,710</b>          | <b>-</b>                         | <b>30,748,190</b>   | <b>1,202,293</b> |                                  | <b>18,312,134</b>   | <b>12,436,056</b>   |
|                          |                       |                           |                                  |                     |                  |                                  |                     | <b>8,983,640</b>    |

**ALACRITY SECURITIES LTD****Notes to financial Statements for the year ended 31st March 2018****11 Non Current Investments:**

In Rs

| Details of Investments                               | Face Value | As at 31/03/2018  | As at 31/03/2017  |
|--|------------|-------------------|-------------------|
| <b>Investments in Equity Instruments: (quoted)</b>   |            |                   |                   |
| Associates   |            |                   |                   |
| Odyssey Corporation Ltd. (Qty 2025494, P.Y. 1635494) | 5          | 33,045,443        | 32,067,835        |
| <b>Other Non Current Investments (quoted)</b>        |            |                   |                   |
| Suzlonenergy ( Qty NIL P.Y. Qty 941128 )             | 10         | -                 | 22,694,817        |
| Aqua Logistic Ltd. ( Qty 741355, P.Y. 741355)        |            | 7,378,726         | 7,378,726         |
| <b>Other non current investments (Unquoted)</b>      |            |                   |                   |
| Sheetal Co op Credit Soc Ltd. (Qty 100, P.Y. 100)    | 100        | 10,000            | 10,000            |
| Hari Darshan Co op Housing Soc Ltd (Qty 40, P.Y. 40) | 100        | 2,000             | 2,000             |
| <b>Total</b>   |            | <b>40,436,169</b> | <b>62,153,378</b> |

## Additional Information:

## Aggregate value of quoted investments:

|              |            |            |
|--------------|------------|------------|
| Cost         | 40,424,169 | 62,141,378 |
| Market Value | 3,803,425  | 22,882,027 |

## Aggregate value of unquoted investments:

|      |        |        |
|------|--------|--------|
| Cost | 12,000 | 12,000 |
|------|--------|--------|

**12 Long Term Loans & Advances**

## Deposites (With Exchange&amp; Others)

|                  |                  |
|------------------|------------------|
| 8,162,166        | 8,162,166        |
| <b>8,162,166</b> | <b>8,162,166</b> |

**ALARITY SECURITIES LTD**  
**Notes to financial Statements for the half year ended 31st March 2018**

In Rs

| Particulars   | As at 31/03/2018   | As at 31/03/2017   |
|---|--------------------|--------------------|
| <b>13 Inventories:</b>  |                    |                    |
| i) Stock-in-Trade (Shares)<br>(Valued at lower of cost or Market Value) | 100,574,758        | 80,647,316         |
|   | <b>100,574,758</b> | <b>80,647,316</b>  |
| <b>14 Trade receivables:</b>  |                    |                    |
| (Unsecured considered good.)  |                    |                    |
| i) Trade receivables exceeding six months                               | 6,514,937          | 12,613,184         |
| ii) others  | 48,887,064         | 9,630,252          |
|   | <b>55,402,002</b>  | <b>22,243,436</b>  |
| <b>15 Cash and cash equivalents:</b>                                    |                    |                    |
| i) Balances with banks  |                    |                    |
| In current Accounts   | 9,285,907          | 2,462,216          |
| In Deposits Accounts  |                    |                    |
| - in fixed deposit accounts   | 113,832,006        | 101,610,532        |
| (Pledged/ lien with bank against O/D & Guarantee facility)              |                    |                    |
| iii) Cash on hand   | 1,126,532          | 648,222            |
|   | <b>124,244,445</b> | <b>104,720,970</b> |
| <b>16 Short term loans and advances:</b>                                |                    |                    |
| (unsecured, considered good)  |                    |                    |
| i) Loans & advances & other receivable                                  | 37,414,533         | 37,256,897         |
| iii) Advance Income Tax, TDS  | 16,972,580         | 16,860,585         |
| iv) MAT Credit Entitlement  | 11,475,550         | 10,490,110         |
| v) Staff Loan   | 297,000            | 156,000            |
|   | <b>66,159,662</b>  | <b>64,763,591</b>  |
| <b>17 Other Current Assets</b>  |                    |                    |
| i) Unamortized expenses   | -                  | 596,677            |
| ii) Interest Accrued on deposits  | 2,616,829          | 2,206,283          |
|   | <b>2,616,829</b>   | <b>2,802,960</b>   |

**ALACRITY SECURITIES LTD**  
**Notes to financial Statements for the year ended 31st March 2018**

In Rs.

| Particulars   | As at 31/03/2018   | As at 31/03/2017   |
|---|--------------------|--------------------|
| <b>18 Revenue from operations:</b>  |                    |                    |
| Sales   | 718,184,270        | 306,006,727        |
| Sale of Services  | 10,760,667         | 8,015,603          |
| Other Operating Revenues  | 2,365,399          | 4,757,264          |
| Profit / Loss in Future & Option  | 22,417,008         | 5,955,894          |
|   | <b>753,727,344</b> | <b>324,735,488</b> |
| <b>19 Other Income:</b>   |                    |                    |
| Interest Income   | 7,690,421          | 7,267,546          |
| Dividend Income   | 144,352            | 354,164            |
| - from long term investments  |                    |                    |
| Profit on Sale of Investment ( Long Term)   | -4,188,742         | 943,020            |
| Profit on sales of Assets   | 5,631,106          |                    |
| 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)  | 119,090            | 28,958             |
|   | <b>9,426,226</b>   | <b>8,623,689</b>   |
| <b>20 Changes in inventories of finished goods, WIP and stock in trade:</b>                                       |                    |                    |
| <u>Inventories at the beginning of the year</u>   | <b>80,647,316</b>  | <b>76,261,414</b>  |
| Shares  |                    |                    |
| <u>Inventories at the end of the year</u>   | <b>100,574,758</b> | <b>80,647,316</b>  |
| Shares  |                    |                    |
|   | <b>-19,927,442</b> | <b>-4,385,902</b>  |
| <b>21 Employee Benefit Expenses:</b>  |                    |                    |
| Salaries and Wages  | 2,726,221          | 2,408,874          |
| Contribution to provident and other funds   | 119,319            | 138,570            |
| Remuneration to whole time directors  | 975,250            | 946,500            |
| Staff welfare & Canteen expenses  | 75,834             | 81,022             |
|   | <b>3,896,624</b>   | <b>3,574,966</b>   |
| <b>22 Finance Costs:</b>  |                    |                    |
| Bank Interest & Charges   | 6,368,465          | 5,660,609          |
| Other Borrowing Cost  | 372,224            | 200,132            |
| Interest Paid   | 1,303,575          | 322,375            |
|   | <b>8,044,265</b>   | <b>6,183,116</b>   |
| <b>23 Depreciation and amortization:</b>  |                    |                    |
| i) Depreciation   | 2,061,065          | 1,202,293          |
| ii) Amortization of intangible assets   | 646,763            | 624,676            |
|   | <b>2,707,828</b>   | <b>1,826,969</b>   |

30. 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.

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

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

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

|                                  |                       |                       |
|----------------------------------|-----------------------|-----------------------|
| <b>a) Directors Remuneration</b> | <b><u>2017-18</u></b> | <b><u>2016-17</u></b> |
| Salary                           | 990750                | 941500                |

Other information are either Nil or Not Applicable

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

**For ABN & Co**  
Chartered Accountants  
Firm Registration No.  
004447C

**For and on behalf of the Board**

**Nipa Prashant Sheth**

**Kishore V Shah**

Whole Time Director  
CFO

Whole Time Director &

**(CA S C KABRA)**  
**(Partner)**  
**M NO. 035604**

**Place: Mumbai**  
**Date: 30.05.2018**

**Amrita Sogani**  
( Company Secretary & Compliance Officer)

**ALACRITY SECURITIES LIMITED**

L999999MH1994PLC083912

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

**Proxy form**

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

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

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

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

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

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

as my/ our proxy to attend and vote( on a poll) for me/us and on my/our behalf at the Twenty Fourth Annual General Meeting of the company, to be held on Wednesday, the 26<sup>th</sup> day of September at 10 a.m. at B-101, Haridarshan Building,Bhogilal Phadia Road,Kandivali (W),Mumbai,400067 and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting,as are indicated below:

**Resolution No.**

| Sl. No. | Resolution(S)   | Vote |         |
|---------|---|------|---------|
|         |   | For  | Against |
| 1.      | Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2018 |      |         |

|    |  |  |  |
|----|--|--|--|
| 2. | Appointment of <b>Mr Hiten R Mehta (DIN: 01875252)</b> as Director who is liable to retire by rotation.                |  |  |
| 3. | Ratification of M/s. ABN & CO., Chartered Accountants(FRN. 004447C) as Statutory Auditors & fixing their remuneration. |  |  |
|    |  |  |  |

\* Applicable for investors holding shares in Electronic form.

Affix Revenue  
Stamps

Signed this \_\_\_\_day of \_\_\_\_2018

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder

across Revenue Stamp

Note:

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

2) The proxy need not be a member of the company

ALACRITY SECURITIES LIMITED  
L999999MH1994PLC083912

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

**24<sup>th</sup> ANNUAL GENERAL MEETING**

**ATTENDANCE SLIP**

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

**24<sup>th</sup> Annual General Meeting on Wednesday, the 26<sup>th</sup> September, 2018**

Full name of the members attending \_\_\_\_\_

(In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

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

I hereby record my presence at the \_\_\_\_ Annual General Meeting of the Alacrity Securities Limited. B-101 ,  
Haridarshan ,Bhogilal Phadia Road,Kandivali West ,Mumbai 400067 on Wednesday, the 26<sup>th</sup> September, 2018

(Member's /Proxy's Signature)

**Note:**

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



## NOTES

[illegible]

## NOTES

[illegible]

## NOTES

[illegible]

## NOTES

[illegible]

## NOTES

[illegible]

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