

MERCURY METALS LIMITED
Traders in Ferrous & Non Ferrous Metals



36, Advani Market, O/s. Delhi Date, Shahibaug, Ahmedabad 380 004. INDIA • Phone: +91 79 6542 5275 • Email: matel.mercury@gmail.com

CIN: L27109GJ1986PLC008770

03/10/2016

TO,
BSE LTD.
FLOOR 25, P. J. TOWERS
DALAL STREET,
MUMBAI - 400001

SUB.: Submission of Annual Report for the financial year 2015-16 in accordance to the provisions of Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

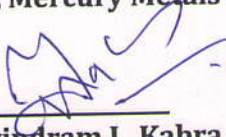
Dear Sir,

With reference to the above captioned subject, we hereby submit the soft copy of the Annual Report for the financial year 2015-16 duly approved and adopted by the shareholders of the Company as per the provisions of the Companies Act, 2013, at the 30th Annual general meeting held on 29th September, 2016.

Kindly take the above information on your record.

Thanking You,

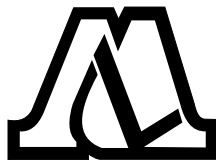
Yours faithfully,
For, Mercury Metals Ltd.



Govindram L. Kabra
Chairman & Whole time Director
DIN: (00006621)



**30th
ANNUAL REPORT
2015-2016**



MERCURY METALS LIMITED

**THIRTIETH ANNUAL REPORT 2015-16****KEY MANAGERIAL PERSONNEL & BOARD OF DIRECTORS**

Govindram L. Kabra	Chairman & Whole time Director (DIN: 00006621)
Ramprakash L. Kabra	Director (DIN: 00006664)
Mahendra G. Prajapati	Director (DIN: 03270133)
Pankhil D. Desai	Director (DIN: 02908540)
Bharti N. Bavishi	Director (DIN: 07188858)
Rasikbhai A. Rana	Chief Financial Officer

AUDITORS:

M/S. AMBALAL PATEL & CO.,
Chartered Accountant,
Ahmedabad

BANKERS:

ICICI Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENT:

MCS Share Transfer Agent Limited
12/1/5 MANOHARPUKUR ROAD,
KOLKATA-700026
Email: mcsahmd@gmail.com

REGISTERED OFFICE:

36, Advani Market,
O/s Delhi Gate, Shahibaug,
Ahmedabad-380004
Tel No. : 079-65425275
Fax No. : 079-26302231
Email : metal.mercury@gmail.com

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**NOTICE**

(CIN : L27109GJ1986PLC008770)

NOTICE is hereby given that the 30th Annual General Meeting of the Members of **MERCURY METALS LIMITED** will be held on **Thursday, 29th September 2016** at **11:30 A.M.** at registered office of the company at 36, Advani Market, O/S Delhi Gate, Shahibaug, Ahmedabad -380004, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016, Statement of Profits & Loss together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2016 and Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. Govindram L. Kabra (DIN: 00006621)** who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditor and fix their remuneration.

Regd. Office:

36, Advani Market
O/S Delhi Gate, Shahibaug
Ahmedabad-380004
Date : 24/08/2016
Place : Ahmedabad

By order of the Board
For, **Mercury Metals Ltd.**

Ramprakash Kabra
Director
(DIN: 00006664)

Pankhil Desai
Director
(DIN: 02908540)

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxies in order to be effective must be received by the Company, duly stamped and signed, at its registered office not less than 48 hours before the time of Meeting.

Proxy submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/ authority, as applicable, issued on behalf of nominating organization.

A person can act as proxy on behalf of Members not exceeding Fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. 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 members.

2. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays, during business hours up to the date of the Meeting.
3. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.
4. 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.
5. Members/Proxies/Authorised Representatives are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. Profile of the Directors seeking appointment / re-appointment as required in terms of Regulation 36 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, is annexed to this Notice.
7. Pursuant to Section 91 of the Companies Act, 2013, Register of members and share transfer books of the company will remain closed from Friday, 23rd September, 2016 to Thursday, 29th September, 2016 (both days inclusive).
8. SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission / transposition of shares. Members are requested to submit the PAN details to their Depository Participant (DP) in case of holdings in dematerialised form or to



contact MCS Share Transfer Agent Limited 12/1/5 Manoharpukur Road, Kolkata-700026 in case of holdings in physical form, mentioning your correct reference folio number.

9. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact MCS Share Transfer Agent Limited, 12/1/5 Manoharpukur Road, Kolkata-700026 for assistance in this regard.
10. The Annual Report 2015-16 of the Company circulated to the Members of the Company, will be made available on the Company's website at www.mercurymetals.in and also on the website of the respective Stock Exchanges at www.bseindia.com.
11. Shareholders desirous of any information on records of accounts are requested to write to the Company at least seven days in advance of the Annual General Meeting so as to enable the Management to keep the information ready.
12. Voting through electronic means:
 - i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI(Listing Obligations and Disclosure Requirements)Regulations,2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system through remote e-voting services provided by National Securities Depository Limited (NSDL) from a place other than the venue of the Meeting.
 - ii. The facility for voting through poll paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through poll paper.
 - iii. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - iv. The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
26 th September, 2016 at 10.00 a.m.	28 th September, 2016 at 5.00 p.m.

During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The process and manner for remote e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:
 - a. Open the attached PDF file "e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (In case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
 - b. Launch internet browser by typing the URL <https://www.evoting.nsdl.com>
 - c. Click on "Shareholder - Login".
 - d. Put User ID and password as initial password noted in step (a) above and Click Login.
 - e. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
 - f. Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
 - g. Select "EVEN (E-voting Event Number)" of MERCURY METALS LIMITED. For an EVEN, you can login any number of times on e-voting plat form of NSDL till you have voted on the resolution during the voting period.
 - h. Now you are ready for "e-Voting" as "Cast Vote" page opens.



- i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted. Kindly note that vote once cast cannot be modified
 - j. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail info@csdevesh.com with a copy marked to evoting@nsdl.co.in.
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:**
- i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
EVEN (e-voting Event Number) :
USER ID :
PASSWORD/PIN :
 - ii. Please follow all steps from Sl. No. (c) to Sl. No. (j) above, to cast vote.
 - iii. In case of any queries you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the "downloads" section of <https://www.e-voting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in
 - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - v. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future Communication(s).
 - vi. The voting right of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September 2016.
 - vii. Any person who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of cut-off date i.e.22nd September, 2016 may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If your password, you can reset your password by using "Forgot user details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.:1800-222-990.
 - viii. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through poll paper.
 - ix. Mr. Devesh Khandelwal, Proprietor of M/s Khandelwal Devesh and Associates, Company Secretaries, has been appointed as the scrutinizers inter alia for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - x. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "poll Paper" for all those members who are the present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - xi. The Scrutinizer shall after the conclusion of the voting at the general meeting, will first count the votes cast at the meeting and thereafter unlocked the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of conclusion of AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - xii. The result declared alongwith the report of the scrutinizer shall be placed on the website of the Company www.mercurymetals.in and on the website of NSDL immediately after the declaration of result by the chairman or a person authorised by him in writing. The results shall also be immediately forwarded to BSE Limited (BSE).

**BRIEF RESUME OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 30TH ANNUAL GENERAL MEETING (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

Name of Directors	
Particulars	Mr. Govindram Kabra
Date of birth	02/03/1954
Date of appointment	01/11/2000
Qualification and experience in specific functional area	B.com, LLB with more than 31 years of experience of administration
Directorship in other public company	1 (One)
Membership of committee held in other company	3 (Three)
Relationships between directors inter se	Mr. Govindram Kabra is related to Mr. Ramprakash Kabra.(Mr. Ramprakash Kabra is brother of Mr. Govindram Kabra)
Shareholding of non-executive directors	N.A

**DIRECTOR'S REPORT**

To,
THE MEMBERS,

Your Directors have pleasure in submitting their 30th Annual Report of the Company together with the Audited Statements of Accounts of the Company for the year ended on 31st March, 2016.

1. FINANCIAL PERFORMANCE/HIGHLIGHTS:

During the year under review, the Company has incurred loss of ₹ 10,81,418/-. The year 2015-16 has been a very challenging year for your Company. But considering the Company's future expansions plans/projects, your Directors look forward to improve the financial position of the Company and are optimistic about the future growth and performance of the Company.

The summarized financial results of the Company for the period ended 31st March, 2016 are as follows:

Particulars	(Amount in ₹)	
	Year Ending 31 st March, 2016	Year Ending 31 st March, 2015
Sales	4084452	7717375
Other Income	12455	103604
Total Income	4096907	7820979
Less: Expenditure	5178325	7561817
Profit/(loss)before Interest, Depreciation, Tax	(1081418)	259162
Less: Interest	0	0
Less: Depreciation & Amortization Cost	0	0
Less: Extraordinary items	0	0
Profit/(loss)Before Tax	(1081418)	259162
Less: Tax Expenses	0	52000
Profit/(loss)after Tax	(1081418)	207162

2. DIVIDEND

Since the Company has incurred loss during the year ended on 31st March, 2016, hence the Board has not recommended/declared dividend for the year 2015-16.

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed dividend, the provisions of Section 125 of the Companies Act, 2013 do not apply.

4. CHANGE IN THE NATURE OF THE BUSINESS OF THE COMPANY

During the year, there is no change in the nature of the business of the Company.

5. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

6. SCHEME OF CAPITAL RECONSTRUCTION:

During the year under review, the scheme of capital reconstruction of the Company was confirmed/approved by the Hon'ble High Court of Gujarat vide its order no. O/31102/2015 dated 17/08/2015 and pursuant to the same,



the Board filed the said order with the office of Registrar of Companies, Gujarat on 10/09/2015 and the scheme became effective w.e.f.10/09/2015.

On the scheme being effective, the Board in its meeting held on 11th January, 2016 issued and allotted 1 (one) Equity Share of Re.1/- (Rupees One Only) each fully paid up against every 1 (one) Equity Shares of ₹10/- (Rupees Ten Only) each fully paid to the Shareholders whose name appears on the register of members as on the record date i.e. 24th November,2015.

The Board would like to inform you that the corporate action for effecting the capital reduction in NSDL as well as CDSL has been executed and the shares have also been credited in the respective beneficiaries accounts. Further, the Physical share certificates to those shareholders who were holding shares in physical form as on the record date have also been dispatched to the shareholders by registered post.

7. TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to reserves.

8. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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

9. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

10. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

11. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

A. CONSERVATION OF ENERGY:

- | | |
|--|--------|
| i. the steps taken or impact on conservation of energy | : Nil |
| ii. the steps taken by the company for utilising alternate sources of energy | : None |
| iii. the capital investment on energy conservation equipments | : Nil |

B. TECHNOLOGY ABSORPTION:

- | | |
|---|--------|
| i. the efforts made towards technology absorption | : None |
| ii. the benefits derived like product improvement, cost reduction, product development or import substitution | : None |
| 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 | : None |
| b) the year of import | : N.A. |
| c) whether the technology been fully absorbed | : N.A. |
| d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof | : N.A. |
| iv. the expenditure incurred on Research and Development | : Nil |

C. FOREIGN EXCHANGE EARNING & OUTGO :

- | | |
|--------------------------|-------|
| Foreign Exchange Earning | : NIL |
| Foreign Exchange Outgo | : NIL |

**12. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

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

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

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year no contracts or arrangements were made with related parties falling under the purview of Section 188 of the Companies Act, 2013.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

15. BOARD OF DIRECTORS**i. Composition of Board**

Name of Directors	Designation	Category	No. of Board Meeting held	No. of Board Meeting attended
GOVINDRAM LALURAM KABRA	Chairman & Whole Time Director	Promoter Executive	4	4
RAMPRAKASH LALURAM KABRA	Director	Promoter Non-Executive	4	4
PANKHIL DINESHBHAI DESAI	Director	Independent	4	4
MAHENDRA GANGARAM PRAJAPATI	Director	Independent	4	4
BHARTI NIMISH BAVISHI	Director	Independent	4	3

ii. Changes in the Board during the year:

During the year under review, Mrs. Bharti N. Bavishi (DIN: 07188858) was appointed as Additional Director under the category of Independent director by the Board of Directors of the Company in their Meeting held on 30/05/2015 in terms of Section 152 and 161 of the Companies Act, 2013 and was appointed as Independent Director of the Company to hold office for five (5) Consecutive years by the shareholders in the 29th Annual General Meeting held on 29th September, 2015.

Further, no director resigned from the directorship of the Company during the year under review.

iii. Retirement by rotation

In accordance with the provisions of section 152[6] of the Act and in terms of Articles of Association of the Company, Govindram L. Kabra [DIN: 00006621] will retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment. The Board recommends his reappointment.

iv. Number of Board Meetings

During the year under review, the Board duly met Four (4) times on 30/05/2015, 14/08/2015, 06/11/2015, and 11/01/2016 in respect of said meetings proper notices were given and proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

v. STATEMENT ON FORMAL ANNUAL EVALUATION OF BOARD

Nomination and Remuneration Committee annually evaluates the performance of individual Directors, Committees, and of the Board as a whole in accordance with the formal system adopted by it. Further, the Board also regularly in their meetings held for various purposes evaluates the performance of all the Directors, committees



and the Board as a whole. The Board considers the recommendation made by Nomination and Remuneration Committee in regard to the evaluation of board members and also tries to discharge its duties more effectively. Each Board member's contribution, their participation was evaluated and the domain knowledge they bring. They also evaluated the manner in which the information flows between the Board and the Management and the manner in which the board papers and other documents are prepared and furnished.

vi. DECLARATIONS BY INDEPENDENT DIRECTORS

All the Independent Directors of the Company have given their declarations stating that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and in the opinion of the Board, the Independent directors meet the said criteria.

16. KEY MANAGERIAL PERSONNEL

During the year under review, the Board in their meeting held on 30th May, 2016 appointed Mr. Rasiklal Rana as Chief Financial officer of the Company.

17. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

- a) in the preparation of the annual financial statements for the year ended on 31st March, 2016, applicable accounting standards have been followed along with proper explanation relating to material departures, if any,
- b) such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2016 and of the profit of the company for the year ended on that date,
- c) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities,
- d) the annual financial statements are prepared on a going concern basis
- e) proper internal financial controls are in place and that the financial controls are adequate and are operating effectively and
- f) the systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

18. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE:

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013, the Board hereby disclose the composition of the Audit Committee and other relevant matters as under:

Sr. No.	Name of the Member	Designation	Category	Number of meeting held	Number of meeting attended
1.	Pankhil D. Desai	Chairman	Independent Director	4	4
2.	Mahendra G. Prajapati	Member	Independent Director	4	4
3.	Ramprakash L. Kabra	Member	Non-Executive Director	4	4

The Audit Committee acts in accordance with the terms of reference specified by the Board of Directors of the Company. Further during the period under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

During the financial year ended on 31st March 2016, the Audit Committee met Four times on 30/05/2015, 14/08/2015, 06/11/2015, and 11/01/2016.

19. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has established vigil mechanism/



Whistle Blower Policy for Directors and employees of the Company to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct and ethics Policy. The said mechanism also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Board of Directors of the Company frequently reviews the vigil mechanism/whistle blower policy in order to ensure adequate safeguards to employees and Directors against victimization.

The said policy is also available on the website of the Company at www.mercurymetals.in

20. NOMINATION AND REMUNERATION COMMITTEE

The composition of the Committee is as under:

Sr. No.	Name of the Member	Designation	Category	Number of meeting held	Number of meeting attended
1.	Shri Mahendra G. Prajapati	Chairman	Independent Director	2	2
2.	Shri Ramprakash Kabra	Member	Non-Executive Director	2	2
3.	Shri Pankhil D. Desai	Member	Independent Director	2	2

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The said policy is furnished in "Annexure A" and is attached to this report.

During the financial year ended on 31st March 2016, the Nomination and Remuneration Committee met two times on 30/05/2015 and 14/08/2015.

21. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholder's Relationship Committee comprises of the following members:

Sr. No.	Name of the Member	Designation	Category
1.	Shri Mahendra G. Prajapati	Chairman	Independent Director
2.	Shri Pankhil Dineshbhai Desai	Member	Independent Director
3.	Shri Ramprakash L. Kabra	Member	Non-Executive Director

Details of Investor's grievances/ Complaints:

The Company has not received any complaints during the year. The pending complaints of the Shareholders/ Investors registered with SEBI at the end of the current financial year ended on 31st March, 2016 are NIL.

There were no pending requests for share transfer/dematerialisation of shares as of 31st March 2016.

Compliance Officer:

The Compliance officer of the Company is Mr. Govindram L. Kabra.

22. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has not developed and implemented any risk management policy as the risk threatening the business activity carried out by the Company during the year are minimal.

23. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has in place adequate Internal Financial Controls with reference to Financial Statements. The Board has inter alia reviewed the adequacy and effectiveness of the Company's internal financial controls relating to its financial statements.

During the year, such Controls were tested and no reportable material weakness was observed.

24. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

**25. AUDITORS****i. STATUTORY AUDITORS**

M/S. AMBALAL PATEL & CO., Chartered Accountants, was appointed as Statutory Auditors for a period of 4 year(s) in the Annual General Meeting held on 29th September, 2014 to hold the office till the conclusion of 32nd Annual General Meeting of the Company to be held in the year 2018. Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Company shall place the matter relating to such appointment for ratification by members at every annual general meeting and therefore it is proposed to ratify the appointment of M/s. AMBALAL PATEL & CO., Chartered Accountants, as the Statutory Auditors of the Company.

The consent of M/s. AMBALAL PATEL & CO., Chartered Accountants, Ahmedabad along with certificate under Section 139 of the Act has been obtained to the effect that their appointment, if made, shall be in accordance with the prescribed conditions and that they are eligible to hold the office of Auditors of the Company.

There are no qualifications, reservations or adverse remarks made by M/s. AMBALAL PATEL & Co., Chartered Accountants, the Statutory Auditors of the Company, in their report. The observations made by the Statutory Auditors in their report for the financial period ended 31st March 2016 read with the explanatory notes therein are self explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

ii. SECRETARIAL AUDITOR

As per the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, our Company needs to obtain Secretarial Audit Report from Practicing Company Secretary and therefore, M/s Vishwas Sharma & Associates, Company Secretaries had been appointed to issue Secretarial Audit Report for the period ended on 31st March 2016.

Secretarial Audit Report issued by M/s Vishwas Sharma & Associates, Company Secretaries in Form MR-3, attached and marked as **Annexure "B"**, for the period under review forms part of this report. The said report contains observation or qualification relating to the appointment of Company Secretary and non-compliance of regulations of 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 i.e. hundred percent of shareholding of promoter(s) and promoter group should be in Dematerialized form.

The Board of Directors of your Company would like to explain on the said observation that your Company took all reasonable steps to do such appointments, but as your Company is not doing well in its present line of business activity, it failed to attract right candidates for such post. The Board of your Company continues its efforts to search right candidate for the post of Company Secretary and will appoint the Company Secretary as soon as possible.

The Board noted the fact about Non-Dematerialisation of some of the Promoters' Share holding and accordingly intimated to the concerned Promoter. The Company has received a positive confirmation from the promoters who are holding shares in Physical form, to initiate the process of converting their shares in Demat form.

iii. COST AUDITORS

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company

26. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure "C"** and is attached to this Report.

27. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, forms part of this report as 'Annexure D'. However, as permitted in terms of Section 136 of the Act, this Annual Report is being sent



to all the members and others entitled thereto, excluding the said annexure. Members who are interested in obtaining these particulars may write to the Company at the Registered Office of the Company. The aforesaid annexure is also available for inspection by members at the Registered Office of the Company, 21 days before the 30th Annual General Meeting and upto the date of Annual General Meeting during business hours on working days.

28. CORPORATE GOVERNANCE

As per the provisions of SEBI (Listing Obligations and Disclosures requirement) Regulation, 2015, the annual report of the listed entity shall contain Corporate Governance Report and it is also further provided that if the Company is not having the paid up share capital exceeding ₹ 10 crores and Net worth exceeding ₹ 25 crores, the said provisions are not applicable. As our Company does not have the paid up share capital exceeding ₹ 10 crores and Net worth exceeding ₹ 25 crores, the Corporate Governance Report is not applicable and therefore not provided by the Board.

29. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the Listing Regulations is given as an annexure to this report.

30. LISTING

To effect the capital reconstruction of the Company, BSE Ltd (the stock exchange) suspended the trading of securities of the Company from 23rd November, 2016 (Ex Record Date) for procedural reason.

Further, on completion of requisite procedures/formalities to effect the capital reduction of the Company and submissions of required documents to BSE Ltd. (the stock exchange), BSE Ltd. issued trading notice on 23rd May, 2016 and permitted to trade the equity shares of the company w.e.f. 25th May, 2016.

As on the date of this report, the shares of the Company are listed on Bombay Stock Exchange Limited (BSE) and the Company has paid the annual listing fees for the year 2015-16.

31. FINANCIAL CALENDAR

The Company expects to announce the unaudited/audited quarterly results for the year 2016-17 as per the following schedule:

First quarter	: 2 nd week of August, 2016
Half-yearly results	: 2nd week of November, 2016
Third quarter	: 2 nd Week of February, 2017
Yearly Results	: By end of May, 2017

ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board

Date : 24/08/2016
Place : Ahmedabad

Ramprakash Kabra
Director
(DIN: 00006664)

Pankhil Desai
Director
(DIN: 02908540)



**Annexure-“A”
NOMINATION AND REMUNERATION POLICY**

INTRODUCTION

In pursuance to the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, key managerial personnel and employees of the Company, to harmonise the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013, this policy on Nomination and Remuneration of directors, Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC) and approved by the Board of Directors of the Company.

CONSTITUTION OF COMMITTEE

The Board of Directors of Mercury Metals Limited (“the Company”) constituted the “Nomination and Remuneration Committee” consisting of three (3) Non-Executive Directors of which majority are Independent Directors in accordance with the provisions of Section 178 of the Companies Act, 2013.

OBJECTIVE**The key objectives of the Committee would be:**

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) Formulate the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees
- c) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- d) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management
- e) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- f) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage
- g) To develop a succession plan for the Board and to regularly review the plan.

DEFINITIONS

“Act” means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

“Board” means Board of Directors of the Company.

“Directors” mean Directors of the Company.

“Key Managerial Personnel” means

- a) Chief Executive Officer or the Managing Director or the Manager;
- b) Whole-time director;
- c) Chief Financial Officer;
- d) Company Secretary; and
- e) such other officer as may be prescribed.

“Senior Management” means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

Policy for appointment and removal of Director, KMP and Senior Management**A. Appointment criteria and qualifications**

- I. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.



- II. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- III. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

B. Term / Tenure

- Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

- Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

C. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

D. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

E. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.



While determining the remuneration of Executive Directors and Key Managerial Personnel, the Committee shall consider following factors:

- i) Industry standards, if the data in this regard is available.
- ii) The job description.
- iii) Qualification and experience level of the candidate.

The remuneration payable to the Executive Directors, including the value of the perquisites, shall not exceed the permissible limits as are mentioned within the provisions of the Companies Act, 2013. They shall not be eligible for any sitting fees for attending any meetings.

The Non-Executive Directors shall not be eligible to receive any remuneration/ salary from the Company. However, the Non-Executive Directors shall be paid sitting fees for attending the meeting of the Board or committees thereof and commission, as may be decided by the Board/ Shareholders from time to time, presently the Company is not paying any sitting fee. They shall also be eligible for reimbursement of out of pocket expenses for attending Board/ Committee Meetings.

DUTIES IN RELATION TO NOMINATION MATTERS

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- c) Determining the appropriate size, diversity and composition of the Board;
- d) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- e) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- f) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- g) Recommend any necessary changes to the Board; and

DUTIES IN RELATION TO REMUNERATION MATTERS:

The duties of the Committee in relation to remuneration matters include:

- To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

REVIEW AND AMENDMENTS:

- i. The NRC or the Board may review the Policy as and when it deems necessary.
- ii. The NRC may issue guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary.
- iii. This Policy may be amended or substituted by the NRC or by the Board and as when required and also by the Compliance Officer where there is any statutory change necessitating the change in the policy.



Annexure –“B”
SECRETARIAL AUDIT REPORT
Form No. MR-3

For the financial year ended on 31st March, 2016
[Pursuant to section 204(1) of the Companies Act, 2013 and
rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
MERCURY METALS LIMITED,
Ahmedabad.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MERCURY METALS LIMITED (CIN: L27109GJ1986PLC008770)** (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 Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2016** (‘Audit Period’) 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 the Company for the financial year ended on 31 March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under and Companies Act, 1956 and Rules made there under to the extent applicable,
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- (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 Borrowing. (***not applicable to the company during the audit period***)
- (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, 2015.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (***not applicable to the company during the audit period***).
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (***not applicable to the company during the audit period***) ;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (***not applicable to the company during the audit period***);
 - (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 (***not applicable to the company during the audit period***);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (***not applicable to the company during the audit period***);
- (vi) I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances of other specific applicable Acts, Laws and Regulations to the Company as mentioned hereunder;
 - a) Income-Tax Act, 1961 and Indirect Tax Laws;



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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. The Listing Agreements entered into by the Company with Stock Exchanges;
- iii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (with effect from 1st December 2015)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and subject to the following observations;

- (a) ***As per Section 203 of Companies Act, 2013 read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 , the Company has not appointed Company Secretary during the audit period.***
- (b) ***As per the regulations of 31 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hundred percent of shareholding of promoter(s) and promoter group should be in Dematerialized form, however the process of dematerialization of hundred percent of shareholding of promoter(s) and promoter group has not been completed.***

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 the 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.

Board takes decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

I further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and guidelines.

I further report that during the audit period, the Company has reduced its share capital through scheme of Capital Reconstruction from ₹6,95,28,080/- equity shares of ₹10/- each fully paid-up (*bearing distinctive numbers from 1 to 7978508*) to ₹69,52,808/- divided into 69,52,808 equity shares of Re.1/- each fully paid-up by issuing 1 (one) Equity Share of Re.1/- (Rupees One Only) each fully paid up against every 1 (one) Equity Shares of ₹10/- (Rupees Ten Only) each fully paid-up, the said scheme of capital reconstruction of the Company was being approved by the shareholders of the Company in the meeting held on 14th February, 2015 and the same confirmed/approved by the Hon'ble High Court of Gujarat vide its order no. O/31102/2015 dated 17/08/2015. The Company filed the Order of the Hon'ble High Court of Gujarat with the office of the Registrar of Companies, Gujarat on 10/09/2015 and on such filing the said scheme of capital reduction became effective w.e.f. 10/09/2015.

However there were no instances of:

- (i) Public/Rights/Preferential issue of Shares/debentures/sweat equity.
- (ii) Redemption/buy-back of securities.
- (iii) Merger/ amalgamation etc. except the scheme of capital reconstruction as detailed hereinabove.
- (iv) Foreign technical collaborations.

For, Vishwas Sharma & Associates
Company Secretaries

Sd/-
Vishwas Sharma
Proprietor
ACS:-33017
COP No. :- 16942

Place :- Ahmedabad
Date :- 24/08/2016

Note: This report is to be read with our letter of even date which is annexed as Annexure -1 herewith and forms and integral part of this report.

**ANNEXURE - 1 TO SECRETARIAL AUDIT REPORT**

To,
The Members,
Mercury Metals Limited
Ahmedabad.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations 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. My 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, **Vishwas Sharma & Associates**
Company Secretaries

Sd/-
Vishwas Sharma
Proprietor
ACS:-33017
COP No. :- 16942

Place :- Ahmedabad
Date :- 24/08/2016



“Annexure-C”
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2016
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	L27109GJ1986PLC008770
2.	Registration Date	04/07/1986
3.	Name of the Company	MERCURY METALS LIMITED
4.	Category/Sub-category of the Company	Company limited by shares
5.	Address of the Registered office & contact details	36 Advani Market O/S Delhi Gate, Sahibaug, Ahmedabad-380004,Gujarat.
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MCS Share Transfer Agent Ltd. 12/1/5 Manoharpukur Road, Kolkata, West Bengal -700026. Contact:- 033 40724051/52 Email: mcssta@rediffmail.com

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	Wholesale of metal and non-metal waste and scrap	46699	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE
NIL			


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

(i) Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year [01/04/2015]				No. of Shares held at the end of the year [31/03/2016]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
	(1) Indian									
	a) Individual/ HUF	49300	2882008	2931308	42.16	49300	2882008	2931308	42.16	Nil
	b) Central Govt	-	-	-	-	-	-	-	-	-
	c) State Govt(s)	-	-	-	-	-	-	-	-	-
	d) Bodies Corp.	-	-	-	-	-	-	-	-	-
	e) Banks / FI	-	-	-	-	-	-	-	-	-
	f) Any other Directors/Relatives	-	-	-	-	-	-	-	-	-
	Sub-total (A)(1):-	49300	2882008	2931308	42.16	49300	2882008	2931308	42.16	Nil
	(2) Foreign									
	a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
	b) Other-Individuals	-	-	-	-	-	-	-	-	-
	c) Bodies Corp.	-	-	-	-	-	-	-	-	-
	d) Bank/FI	-	-	-	-	-	-	-	-	-
	e) Any	-	-	-	-	-	-	-	-	-
	Other. . .	-	-	-	-	-	-	-	-	-
	Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	49300	2882008	2931308	42.16	49300	2882008	2931308	42.16	Nil
B.	Public Shareholding									
	1. Institutions									
	a) Mutual Funds	-	-	-	-	-	-	-	-	-
	b) Banks / FI	-	-	-	-	-	-	-	-	-
	c) Central Govt	-	-	-	-	-	-	-	-	-
	d) State Govt(s)	-	-	-	-	-	-	-	-	-
	e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
	f) Insurance Companies	-	-	-	-	-	-	-	-	-
	g) FIIs	-	-	-	-	-	-	-	-	-
	h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	i) Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-



Category of Shareholders	No. of Shares held at the beginning of the year [01/04/2015]				No. of Shares held at the end of the year [31/03/2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	4521	340500	345021	4.96	4719	340500	345219	4.96	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	189679	1984800	2174479	31.27	205280	2952100	3157380	45.41	14.14
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	11700	1481400	1493100	21.47	0	510000	510000	7.33	(14.14)
c) Others									
1. Hindu Undivided Families	6700	2200	8900	0.13	6701	2200	8901	0.13	-
2. Non Resident Repatriates	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	212600	3808900	4021500	57.84	216700	3804800	4021500	57.84	Nil
Total Public Shareholding (B)=(B)(1)+ (B)(2)	212600	3808900	4021500	57.84	216700	3804800	4021500	57.84	Nil
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	261900	6690908	6952808	100	266000	6686808	6952808	100	-

(ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year (01/04/2015)			Share holding at the end of the year (31/03/2016)			% change in share holding 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.	Govindram Laluram Kabra	1671800	24.04	-	1671800	24.04	-	NIL
2.	Motilal L. Kabra	390508	5.62	-	390508	5.62	-	NIL
3.	Laxmiben L. Kabra	320100	4.60	-	320100	4.60	-	NIL
4.	Radheshyam L. Kabra	200300	2.88	-	200300	2.88	-	NIL
5.	Girijaben R. Kabra	145700	2.10	-	145700	2.10	-	NIL
6.	Ramswaroop L. Kabra	66600	0.96	-	66600	0.96	-	NIL
7.	Gopal Motilal Kabra	42300	0.61	-	42300	0.61	-	NIL
8.	Kaushalya D. Lahoti	38100	0.55	-	38100	0.55	-	NIL
9.	Dinesh R. Lahoti	27200	0.39	-	27200	0.39	-	NIL
10.	Neha Ramprakash Kabra	24000	0.35	-	24000	0.35	-	NIL
11.	Urmila Kabra	4400	0.06	-	4400	0.06	-	NIL
12.	Kanchan G. Kabra	300	0.00	-	300	0.00	-	NIL
	TOTAL	2931308	42.16	-	2931308	42.16	-	Nil



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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2931308	42.16	2931308	42.16
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
	At the end of the year	2931308	42.16	2931308	42.16

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

Sr. No.	For each of the Top 10 Shareholders	Reason	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	YASSEN MD JAMALUDDINMOSSAJI					
	At the beginning of the year		280000	4.03	280000	4.03
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		280000	4.03	280000	4.03
3.	FAROOQ MD JAMALUDDINMOSSAJ					
	At the beginning of the year		230000	3.31	230000	3.31
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		230000	3.31	230000	3.31
4.	SOHANGIRI METALS & ALLOYS PVT. LTD.					
	At the beginning of the year		150000	2.16	150000	2.16
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		150000	2.16	150000	2.16
5.	APOLLO METACHEM PRIVATE LIMITED					
	At the beginning of the year		118600	1.71	118600	1.71
	Date/Quarter wise Increase/Decrease in Shareholding during the year (April-June 2014)	No changes during the year				
	At the end of the year		118600	1.71	118600	1.71



Sr. No.	For each of the Top 10 Shareholders	Reason	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
6.	HARISH DUDHANI					
	At the beginning of the year		100000	1.44	100000	1.44
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		100000	1.44	100000	1.44
7.	RATANDEVI S. KAKHANI					
	At the beginning of the year		65700	0.94	65700	0.94
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		65700	0.94	65700	0.94
8.	VIMLADEVI R. KAKHANI					
	At the beginning of the year		64300	0.92	64300	0.92
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		64300	0.92	64300	0.92
9.	REKHADEVI D. KAKHANI					
	At the beginning of the year		62700	0.9	62700	0.9
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		62700	0.9	62700	0.9
10.	NARESH K. JHAWER					
	At the beginning of the year		62000	0.89	62000	0.89
	Date wise Increase/Decrease in Shareholding during the year (April-June 2014)	No changes during the year				
	At the end of the year		62000	0.89	62000	0.89
11.	SWETA NARESH JHAWER					
	At the beginning of the year		61400	0.88	61400	0.88
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		61400	0.88	61400	0.88


(v) Shareholding of Directors and Key Managerial Personnel:-

Sr. No.	For each of Directors and each Key Managerial Personnel	Reason	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Mr. Govindram Laluram Kabra					
	At the beginning of the year		1671800	24.04	1671800	24.04
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		1671800	24.04	1671800	24.04
2.	Mr. Ramprakash Laluram Kabra					
	At the beginning of the year	-	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Share holding during the year	-	-	-	-	-
	At the end of the year	-	Nil	Nil	Nil	Nil
3.	Mr. Pankhil Dineshbhai Desai					
	At the beginning of the year	-	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Share holding during the year	-	-	-	-	-
	At the end of the year	-	Nil	Nil	Nil	Nil
4.	Mr. Mahendra Gangaram Prajapati					
	At the beginning of the year	-	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Share holding during the year					
	At the end of the year	-	Nil	Nil	Nil	Nil
5.	Mr. Bharti Nimish Bavishi					
	At the beginning of the year	-	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Share holding during the year	-	-	-	-	-
	At the end of the year	-	Nil	Nil	Nil	Nil
6.	Mr. Rasikbhai Ambalal Rana					
	At the beginning of the year	-	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Share holding during the year	-	-	-	-	-
	At the end of the year	-	Nil	Nil	Nil	Nil


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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. Govindram Laluram Kabra (Whole Time Director)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,20,000	1,20,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	Total (A)	1,20,000	1,20,000
	Ceiling as per the Act	30,00,000	30,00,000


B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Ramprakash Laluram Kabra	Pankhil D. Desai	Mahendra Gangaram Prajapati	Bharti Nimish Bavishi	
1	Independent Directors	-	✓	✓	✓	
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	✓	-	-	-	
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	Rs.1,00,000/- per meeting	Rs.1,00,000/- per meeting	Rs.1,00,000/- per meeting	Rs.1,00,000/- per meeting	-

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

SN.	Particulars of Remuneration	Key Managerial Personnel CFO	Total Amount
		Mr. Rasiklal Rana	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,36,700	2,36,700
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission		
	- as % of profit	Nil	Nil
	- others, specify...	Nil	Nil
5	Others, please specify	Nil	Nil
	Total	2,36,700	2,36,700

**VII. 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)
A. COMPANY					
Penalty			N.A.		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			N.A.		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			N.A.		
Punishment					
Compounding					

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****i) Industry Structure and Development**

The Company is engaged in the business of trading of ferrous and non ferrous metals. The Company intends to extend its area of operations to other metals including of trading of precious metals. The metal industry in which the Company is dealing is recently having trends of volatility and there are very good chances for the Company to develop its area of operation in the metal industry.

ii) Opportunities and Threats

A future of opportunities exists in the form of increasing user and increasing demand. Growth in Indian economy leads to creation of immense opportunities to the Company for future growth and development.

For market players of Metal industry, a major cause of volatility is the cost of raw materials, which has been exacerbated by the change from annual to shorter-term price contracts. Shortages in supply have enabled suppliers to re-engineer the pricing mechanisms. However, this has created challenges for market players. They now have to deal not only with the increased volatility in raw material prices, but also with how to maintain margins with fluctuating demand. These developments are significantly affecting the earnings of the Metal industry and try to achieve stability in Metal market.

iii) Internal Control system and their adequacy

The Company has adequate system of internal control commensurate with its size and operations to ensure orderly and efficient conduct of the business. These controls ensure safeguard of assets, reduction and detection of frauds and error, adequacy and completeness of the accounting record and timely preparation of reliable financial information.

iv) Financial performance with respect to operational performance

The financial performance of the Company for the year 2015-16 is described in the Directors Report.

v) Segment wise Performance:

During the year the Company has not achieved a notable progress in its operations but due to its future expansion plans, projects and emerging opportunities your directors expect increase in its revenue and income. Our Company's operations belong to a single segment and therefore no segment wise performance given.

vi) Recent Trend and Future Outlook:

The sector in which the Company has been operating is developing faster and provides ample growth opportunities. Further due to rise in foreign direct investment in the sector, Company will be able to develop projects at fast pace and looking forward for better development and high investment returns.

vii) Risk and Concerns

For market players of Metal industry, a major cause of volatility is the cost of raw materials, which has been exacerbated by the change from annual to shorter-term price contracts. Shortages in supply have enabled suppliers to re-engineer the pricing mechanisms. However, this has created challenges for market players. They now have to deal not only with the increased volatility in raw material prices, but also with how to maintain margins with fluctuating demand. These developments are significantly affecting the earnings of the Metal industry and try to achieve stability in Metal market.

viii) Material developments in Human Resources/Industrial Relations front, including the number of people employed.

During the year under review, no such initiatives and/or developments in Human Resources/Industrial Relations front has been taken by the Company.

ix) Cautionary Statement:-

Statement in this Management Discussion and Analysis describing the company's objectives, projections, estimated and expectations are "forward looking statements" Actual results might differ, materially from those anticipated because of changing ground realities.

For and on behalf of the Board

Ramprakash Kabra
Director
(DIN: 00006664)

Pankhil Desai
Director
(DIN: 02908540)

Date : 24/08/2016
Place : Ahmedabad

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF MERCURY METALS LIMITED****Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of M/s. MERCURY METALS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit & Loss for the year then ended, and the cash flow statement for the year ended on that date annexed thereto, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by managements, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2016;
- (b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date;
- (c) In the case of Cash flow statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note no 20 of the financial statements regarding diminution in value of inventory of shares of listed companies. Company has not provided for diminution in value of inventories of listed companies shares as per Accounting Standard - 13 'Accounting for Investments'. Our opinion is not qualified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

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

As acquired 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 purpose of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss and cash flow statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements, comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on 31st March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- f. 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 A".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i There is no pending litigation that may have impact on its 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 is no amount to be transferred to Investors Education Protection Fund.

For AMBALAL PATEL & CO.
Chartered Accountants
Firm Reg. No. : 100305W

CA Ratan Jethaliya
Partner
M.No. 47398

Place : Ahmedabad
Date : 28/05/2016

Annexure A
INDEPENDENT AUDITORS' REPORT ON INTERNAL FINANCIAL CONTROL

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

- 1 We have audited the internal financial controls over financial reporting of Mercury Metals Limited as at 31 March 2016 in conjunction with our audit of the Balance Sheet, Statement of Profit & loss, Cash Flow statement & notes forming part of financial statement.

Management's Responsibility for Internal Financial Controls

- 2 Management is responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the 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, 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 by The Companies Act, 2013 ('the Act').

**Auditor's Responsibility**

- 3 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 and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 was established and maintained and if such controls operated effectively in all material respects.
- 4 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
- 5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Divisional Office's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

- 6 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. 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 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

- 7 In our opinion, 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 2016, based on the internal control over financial reporting criteria established by the management of the company considering the essential components of internal control stated in the Guidance Note.

For AMBALAL PATEL & CO.
Chartered Accountants
Firm Reg. No. : 100305W

Place : Ahmedabad
Date : 28/05/2016

CA Ratan Jethaliya
Partner
M.No. 47398

**Annexure-B****ANNEXURE TO INDEPENDENT AUDITOR'S REPORT**

(Referred to paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.)

- i) (a) The company does not own any fixed assets on its name, hence no records required to be maintained for the same.
(b) As there is no fixed assets, this clause does not applicable
(c) There is no immovable property held in the name of the company hence, relevant clause is not applicable.
- ii) As explained to us, physical verification of inventory has been conducted by the management at the end of the year in respect of inventory and there are no material discrepancies were noticed;
- iii) According to the information explanation given to us, company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv) In respect of loans, investments, guarantees, and security, Company has complied the provisions of section 185 and 186 of the Companies Act, 2013.
- v) The Company has not accepted any deposits from public and hence the provision of section 73 and 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to Company.
- vi) In our opinion and according to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 for any products of the company.
- vii) (a) According to the information and explanation given to us and the books and records examined by us, there are no undisputed amounts payable in respect of Income-tax, VAT outstanding as at 31st March 2016 for a period exceeding six months from the date they became payable.
(b) On the basis of our examination of the documents and records, there is no disputed amount pending in respect of any statutory dues.
- viii) Based on our audit procedure and on the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to the bank during the year under review.
- ix) Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans under review.
- x) According to the information and explanation given to us and to the best of our knowledge and belief no fraud on or by the company, has been noticed or reported by the company during the year.
- xi) Based on our audit procedure and books examined by us, Company has paid managerial remuneration in accordance with the the provisions of section 197 read with Schedule V to the Companies Act.
- xii) Since the company is not Nidhi Company, relevant clause of CARO, 2016 is not applicable to the company.
- xiii) According to information and explanation given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the accounting standard 18.
- xiv) According to information and explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and so, company is not required to comply section 42 of the Companies Act, 2013.
- xv) According to information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and company has been complied the provisions of section 192 of Companies Act, 2013.
- xvi) According to information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For AMBALAL PATEL & CO.
Chartered Accountants
Firm Reg. No. : 100305W**

**CA Ratan Jethaliya
Partner
M.No. 47398**

**Place : Ahmedabad
Date : 28/05/2016**

**BALANCE SHEET AS AT MARCH 31, 2016****(Amount in ₹)**

PARTICULARS	NOTE	AMOUNT AS AT 31-3-2016	AMOUNT AS AT 31-3-2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	6,952,808	74,656,580
(b) Reserves and surplus	3	21,431,744	(45,190,610)
2 Current liabilities			
(a) Other current liabilities	4	182,664	98,855
(b) Short-term provisions	5	52,000	52,000
TOTAL		28,619,216	29,616,825
II. ASSETS			
1 Non-current assets			
(a) Non-current investments	6	3,001,250	3,001,250
2 Current assets			
(a) Inventories	7	12,238,730	12,238,730
(b) Trade receivables	8	-	1,471,084
(c) Cash and Bank Balance	9	169,108	229,437
(d) Short-term loans and advances	10	13,210,128	12,676,324
TOTAL		28,619,216	29,616,825

Significant Accounting Policies 1
The accompanying notes are an integral part of the Financial Statements.

As per our separate report of even date
For **Ambalal Patel & Co.**
Chartered Accountants
Firm Reg. No. : 100305W
CA Ratan Jethaliya
Partner
Membership No: 47398
Place : Ahmedabad
Date : 28/05/2016

Rasikbhai Rana
Chief Financial Officer

On behalf of the Board of Directors
Mercury Metals Limited
Govindram L. Kabra
Whole Time Director
DIN - 00006621
Ramprakash L. Kabra
Director
DIN - 00006664

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31-3-2016**

(Amount in ₹)

Particulars	Note No.	2015-16	2014-15
I. Revenue from operations			
Sale of Metals	11	4,084,452	7,121,125
Sale of Shares		-	596,250
		4,084,452	7,717,375
II. Other income	12	12,455	103,604
III. Total Revenue (I + II)		4,096,907	7,820,979
IV. Expenses			
Purchases of Stock-in-Trade	13	3,950,755	6,872,555
Changes in inventories of Stock-in-Trade	14	-	30,882
Employee benefits expense	15	472,495	276,602
Other Expenses	16	755,075	381,779
Total expenses		5,178,325	7,561,818
V. Profit / (Loss) before tax (III-IV)		(1,081,418)	259,162
VI. Tax expense:			
(1) Current tax		-	52,000
(2) Deferred tax		-	-
(3) Prior Period Tax Adjustment		-	-
		-	52,000
VII. Profit/(Loss) for the period (V-VI)		(1,081,418)	207,162
VIII. Earnings per equity share:			
(1) Basic		(0.16)	0.03
(2) Diluted		(0.16)	0.03

Significant Accounting Policies 1

The accompanying notes are an integral part of the Financial Statements.

As per our separate report of even date
For **Ambalal Patel & Co.**Chartered Accountants
Firm Reg. No. : 100305W**CA Ratan Jethaliya**

Partner

Membership No: 47398

Place : Ahmedabad

Date : 28/05/2016

Rasikbhai Rana
Chief Financial Officer

On behalf of the Board of Directors

Mercury Metals Limited**Govindram L. Kabra**

Whole Time Director

DIN - 00006621

Ramprakash L. Kabra

Director

DIN - 00006664

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2016**

(Amount in ₹)

Particulars	2015-16	2014-15
A. Cash inflow/(outflow) from the operating activities		
Net profit before Tax and Extra ordinary item	(1,081,418)	259,162
Adjustments for:		
Dividend received	-	(33,125)
Excess provision w/off (Secured Loan)	-	(70,479)
		(103,604)
Operating Profit before working capital changes	(1,081,418)	155,558
Adjustment for (Increase)/Decrease in Working Capital :		
Inventories	-	30,882
Receivables	1,471,084	13,177,545
Loans & Advances	(533,804)	(12,506,049)
Current Liabilities & Provisions	83,809	(819,395)
	1,021,089	(117,017)
Net cash inflow/(outflow) from operating activities (A)	(60,329)	38,541
B. Cash inflow/(outflow) from investing activity		
Dividend Received	-	33,125
Net cash inflow/(outflow) from investing activity (B)	-	33,125
C. Cash inflow/(outflow) from financing activity		
Net cash inflow/(outflow) from Financing activity (C)	-	-
Net Cash changes in cash and cash equivalent (A+B+C)	(60,329)	71,666
Cash & Cash Equivalent at the beginning of the Period	229,437	157,771
Cash & Cash Equivalent at the end of the Period	169,108	229,437
Net Increase in cash and cash equivalent	(60,329)	71,666

Note :

- The Cash Flow Statement has been prepared under the Indirect Method as set out in AS-3 on Cash Flow Statement notified by Companies(Accounting Standards) Rules, 2006.
- Figures in bracket represent Outflow of cash.

As per our separate report of even date

For **Ambalal Patel & Co.**

Chartered Accountants

Firm Reg. No. : 100305W

CA Ratan Jethaliya

Partner

Membership No: 47398

Place : Ahmedabad

Date : 28/05/2016

On behalf of the Board of Directors

Mercury Metals Limited**Govindram L. Kabra**

Whole Time Director

DIN - 00006621

Ramprakash L. Kabra

Director

DIN - 00006664

Rasikbhai Rana
Chief Financial Officer

**Note 1 : SIGNIFICANT ACCOUNTING POLICIES****i) Basis Of Preparation :**

The Financial Statements are prepared as per historical cost convention and in accordance with the Generally Accepted Accounting Principles (GAAP) in India, Section 133 of the Companies Act, 2013 and the applicable Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006. The company follows mercantile systems of accounting and recognised income and expenditures on accrual basis.

ii) Use of Estimates :

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

iii) Fixed assets & Depreciation :

There is no fixed assets held by the company. And hence there is no depreciation provided by the company

iv) Inventories :

Inventories of shares & securities are valued at cost.

Other Traded inventories Valued at lower of the cost or Net realisable value.

Cost of Inventories comprises of cost of purchase and other cost incurred in the bringing the inventories to their present location and condition.

v) Revenue Recognition :

Sales are recognized on completion of sale of goods and are recorded net of VAT.

Dividend income is recognized when the right to receive the same is established.

vi) Employee Benefits :

Liabilities in respect of Gratuity & other retirement benefits is not provided in the Books of Account.

vii) Impairment of Assets :

There is no fixed assets held by the company. And hence company is not required to provide for any impairment loss in the financial statements.

viii) Taxes on Income :

Provision for tax is made for both current and deferred taxes. Current tax is provided on the Taxable income using the applicable tax rates and tax laws. Deferred tax liabilities arising on account on timing differences, which is capable of reversal in subsequent periods are recognized using tax rates and tax laws, which have been enacted or substantively enacted.

ix) Earning per Share :

The company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year.

x) Investments :

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments. All Investments are stated at cost. A provision for diminution is made only in case of permanent diminution in value of such securities.

xi) Provisions, Contingent Liabilities and Contingent Assets :

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the accounts by way of a note. Contingent assets are neither recognized nor disclosed in the financial statements.



NOTE : 2 SHARE CAPITAL

Particulars	31/03/2016		31/03/2015	
	Number	Amount (In ₹)	Number	Amount (In ₹)
Authorised				
Equity Shares of ₹ 1 each (PY ₹ 10 each)	100,000,000	100,000,000	10,000,000	100,000,000
Issued & Subscribed Capital				
Equity Shares of ₹ 1 each (PY ₹ 10 each) (Out Of Which 1726907 Are Issued As Bonus Shares)	7,978,508	7,978,508	7,978,508	79,785,080
Paid Up Share Capital				
Equity Shares of ₹ 1 each (py ₹ 10 each) fully paid (Refer Note No 18) (Out Of Which 1726907 Are Issued As Bonus Shares)	6,952,808	6,952,808	6,952,808	69,528,080
Forfeited shares (Amount Originally Paid up)		-		5,128,500
Total	6,952,808	6,952,808	7,978,508	74,656,580

Equity Shares

Particulars	31/03/2016		31/03/2015	
	Number	Amount (In ₹)	Number	Amount (In ₹)
Shares outstanding at the beginning of the year	6,952,808	69,528,080	6,952,808	69,528,080
Less Capital reduction during the year (refer Note no 18)	-	62,575,272	-	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	6,952,808	6,952,808	6,952,808	69,528,080

Name of Equity Share Holders	No. of Shares 31/3/2016		No. of Shares 31/3/2015	
	Sum of Numbers	Sum of %	Sum of Numbers	Sum of %
Shri Govindram Laluram Kabra	1,671,800	24.04%	1,671,800	24.04%
Shri Motilal Laluram Kabra	390,508	5.62%	390,508	5.62%

**MERCURY METALS LIMITED**

Particulars	Amount (In ₹)	
	31/3/2016	31/3/2015
NOTE : 3 RESERVE & SURPLUS		
a. Capital Reserves		
Opening Balance	39,858,180	12,000
(+) Current Year Transfer	-	39,846,180
Closing Balance	39,858,180	39,858,180
b. Securities Premium Account		
Opening Balance	109,841,000	109,841,000
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised for various reasons	-	-
Closing Balance	109,841,000	109,841,000
c. Surplus/(Deficit) in the Statement of Profit & Loss		
Opening balance	(194,889,790)	(195,096,952)
Adjustment pursuant to Capital reduction Scheme (Refer Note 18)	67,703,772	
(+) Net Profit/(Net Loss) For the current year	(1,081,418)	207,162
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
Closing Balance	(128,267,436)	(194,889,790)
Closing Balance	21,431,744	(45,190,610)

NOTE : 4 OTHER CURRENT LIABILITIES**(a) Other payables**

Government Dues	9,903	7,590
Outstanding Expenses & Payables	172,761	91,265
Total	182,664	98,855

NOTE : 5 SHORT TERM PROVISIONS**(a) Others**

Provision for Taxation	52,000	52,000
Total	52,000	52,000

NOTE : 6 NON CURRENT INVESTMENT**Shares, Debentures or Bonds (valued at cost)****Quoted****Investment In Equity shares of Associate Company**

1) 3,03,100 Shares Of Shree Metalloys Ltd. (Formerly Known As Mercury Finstock Co. Ltd)	2,998,750	2,998,750
--	-----------	-----------

Other Investment**Unquoted**

2) Shares Of Charotar Nagrik Bank	2,500	2,500
TOTAL	3,001,250	3,001,250

NOTE 7 INVENTORIES

Others (Shares) (Valued at cost)	12,238,730	12,238,730
Total	12,238,730	12,238,730



Particulars	Amount (In ₹)	
	31/3/2016	31/3/2015

NOTE 8 TRADE RECEIVABLES

Trade receivables outstanding for a period exceeding six months from the date they are due for payment

Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Total	-	-

Trade receivables outstanding for a period less than six months from the date they are due for payment

Unsecured, considered good	-	1,471,084
Total	-	1,471,084
Total	-	1,471,084

NOTE : 9 CASH & BANK BALANCES**a. Cash & Cash Equivalants**

i) Cash on hand	106,563	198,138
ii) Cash Equivalants		
Bank Balances	62,545	31,299
Total	169,108	229,437

NOTE : 10 SHORT TERM LOANS & ADVANCES**a. Others**

Unsecured, considered good		
Balance with Government Authorities	-	5,584
Advances to Supplier	13,180,373	12,641,395
Security Deposits	27,690	27,690
Other Advances	2,065	1,655
Total	13,210,128	12,676,324

NOTE 11 REVENUE FROM OPERATION

Sale of Metals	4,084,452	7,121,125
Sale of Shares	-	596,250
Other operating revenues	-	-
Total	4,084,452	7,717,375

**MERCURY METALS LIMITED**

Particulars	Amount (In ₹)	
	31/3/2016	31/3/2015
NOTE 12 OTHER INCOME		
Dividend Income	-	33,125
Excess Provision for int (CNSB)	-	70,479
Sundry Balances w/off	12,455	-
Total	12,455	103,604
NOTE 13 PURCHASES OF STOCK-IN-TRADE		
Purchase of Metals	3,950,755	6,872,555
TOTAL	3,950,755	6,872,555
NOTE 14 CHANGES IN INVENTORIES OF SHARES		
Opening Stock	12,238,730	12,269,612
Less: Closing Stock	12,238,730	12,238,730
Total	-	30,882
NOTE 15 EMPLOYEE BENEFITS EXPENSE		
(a) Salaries and incentives		
Managing Director Remuneration	120,000	120,000
Bonus Exp.	12,000	6,000
Salary Exps.	227,350	103,200
Allowances To Employees	113,145	47,402
Total	472,495	276,602
NOTE 16 OTHER EXPENSES		
Other Repair & Maintenance	4,630	4,420
Rates & taxes	8,764	8,712
Auditors remuneration	63,205	32,584
Listing & Custodian Fees	276,246	146,068
Professional & Consultancy	162,788	136,081
Misc. Expenditure	239,442	53,913
TOTAL	755,075	381,779



- 17 In compliance with the accounting standard-22 relating to "Accounting for taxes on Income", as there is no timing difference arises, provision for deferred tax liability is not provided in book of accounts.
- 18 In accordance with the provisions of sections 100 to 104 and other relevant provisions of the Companies act , 1956 (hereinafter referred to as "the act") a scheme of capital reduction had been filed by the company with the regulatory authorities whereby the paid up value of all the shares in the capital of the company was reduced from ₹ 10/- per share to ₹ 1/- per share . As per scheme of capital reduction, share capital of ₹7,46,56,580 divided into 69,52,808 Equity Shares of ₹ 10 each fully paid up and share forfeiture account of ₹51,28,500 would be divided into 69,52,808 Equity Shares of Re.1 each fully paid up and that such reduction be effected by reducing the paid up value of shares of the Company from ₹10/- per share to Re.1/- per share, on 69,52,808 Equity Shares and cancellation of share forfeiture account of ₹51,28,500. The matter is approved by Hon. Gujarat High Court in the year under review and appropriate accounting effect of the same made in books of accounts. Hence, during the FY 2015-16, company has written off part of the debit balance in the Profit & Loss account to the extent of ₹6,77,03,772 by cancelling share capital of the company.
- 19 In the opinion of the board, the current assets, Loans & Advances are approximately of the value stated therein, if realized in the ordinary course of business. Balance of sundry creditors, sundry debtors and loans & advances are subject to confirmation & reconciliation. In the opinion of the Management book debts and advances are outstanding since long, however these are recoverable, hence no provision has been made for doubtful debt.
- 20 Inventories of shares are held in demate as well as physical certificate form. In respect of shares held as inventories by company, the same are stated at cost of acquisition. Company has not made provision for diminution in the value of shares held as inventories. Since in the opinion of the management, such decline is temporary phase and no provision would be necessary.

21 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for Nil (Previous Year Nil).

22 Contingent Liabilities

In the opinion of the Management, there is no contingent liability.

- 23 Earning per share as required by Accounting Standard AS-20 as issued by the The Institute of Chartered Accountants of India.

Description	Current Year	Previous Year
Profit / (Loss) After Tax (₹)	(1,081,418)	207,162
Prior Period Tax Adjustment (₹)	-	-
Profit / (Loss) Attributable to Ordinary Share Holders (₹)	(1,081,418)	207,162
Weighted Average No. of Equity Shares	6,952,808	6,952,808
Basic & Diluted Earning Per Share (₹)*	(0.16)	0.03
Nominal Value of share (₹)	1.00	10.00

* The company has no dilutive instruments during the year ended 31/03/2016. As such Dilutive Earning Per share equals to Basic Earnings Per Share.

24 Auditor's Remuneration

	Amount (in ₹)	
	Current Year	Previous Year
Statutory Audit Fees	33,205	32,584
Internal Audit Fees	30,000	-
Total	63,205	32,584



25 Related party disclosure as required by Accounting Standard -18 issued by the Institute of Chartered Accountants of India.

A) List Of Related parties & Relationships

a) Subsidiaries, Fellow Subsidiaries, and Associates

a) **Subsidiaries** : None

b) **Fellow Subsidiary** : None

c) **Associates** : None

b) Key Management Personnel :

1) Shree Govindram L. Kabra (Wholetime Director)

2) Shree Ramprakash L. Kabra

3) Shree Mahendra G. Prajapati.

4) Shree Bhupandrasingh Rajput

c) Relatives of Key Management Personnel : None

d) Enterprise over which Key Management Personnel and their relative exercise significant influence with whom transaction have taken place during the year : None

B) Transaction with related parties Amount (in ₹)

PARTICULARS	YEAR 2015-16	YEAR 2014-15
Remuneration paid to Govindram L. Kabra (Key Management Personnel)	120,000	120,000

26 As there is no earning / outgo in foreign currency during the year under review, additional details as required under Companies Act, 2013 are not required to be given.

27 Segment Reporting Primary Segment (Business Segment) Amount (in ₹)

Particulars	Business Segments		TOTAL
	Metal	Shares	
Segment Revenue	4,084,452	-	4,084,452
	(7,121,125)	(629,375)	(7,750,500)
Unallocable Revenue			-
			-
Profit / (Loss) Before Tax			(1,081,418)
			259,162
Tax Expenses			-
			(52,000)
Profit / (Loss) for the year			(1,081,418)
			207,162
Segment Assets	16,181,623	12,238,730	28,420,353
	(17,119,313)	(12,238,730)	(29,358,043)
Unallocated Assets			198,863
			(258,782)
Total Assets			28,619,216
			(29,616,825)
Segment Liabilities	0	(0)	-
	-	(0)	-
Unallocated Liabilities			28,619,216
			(29,616,825)
Total Liabilities			28,619,216
			(29,616,825)



- i) The company has disclosed business segments as the primary segment. Segments have been identified taking into account the nature of the products, differential risks and returns, the organizational structure and internal reporting system. The company's operations predominantly relate to Trading of metals & shares.
- ii) Company area of operations is within India only. And separate disclosure as per geographical segments is not required to be given.
- iii) Figures in bracket in *italics* fonts are previous years figures.

28 Previous year figures are regrouped and rearranged wherever necessary to compare with current year figures.

29 Figures are rounded off to the nearest rupee.

Signatories to Note 1 to 29

As per our separate report of even date

For **Ambalal Patel & Co.**

Chartered Accountants

Firm Reg. No. : 100305W

CA Ratan Jethaliya

Partner

Membership No: 47398

Place : Ahmedabad

Date : 28/05/2016

Rasikbhai Rana
Chief Financial Officer

On behalf of the Board of Directors

Mercury Metals Limited

Govindram L. Kabra

Whole Time Director

DIN - 00006621

Ramprakash L. Kabra

Director

DIN - 00006664



MERCURY METALS LIMITED

CIN : L27109GJ1986PLC008770

Regd. Office : 36 Advani Market, O/s Delhi Gate, Shahibaug, Ahmedabad-380004

Form-MGT-11

PROXY FORM

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

30th Annual General Meeting – 29th day of September, 2016 at 11.30 a.m.

CIN : L27109GJ1986PLC008770
Name of the company : MERCURY METALS LIMITED
Registered office : 36 Advani Market, O/s Delhi Gate, Shahibaug, Ahmedabad-380004
Name of the Member(s) :
Registered Address :
Email :
DP ID :
Folio No. / Client ID No. :

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint:

- 1) Name : Address : E-mail Id : Signature: Or falling him/her
2) Name : Address : E-mail Id : Signature: Or falling him/her
3) Name : Address : E-mail Id : Signature: Or falling him/her

[PTO]



TEAR HERE



MERCURY METALS LIMITED

CIN : L27109GJ1986PLC008770

Regd. Office : 36 Advani Market, O/s Delhi Gate, Shahibaug, Ahmedabad-380004

ATTENDANCE SLIP

Full name of the Member attending : _____

Name of Proxy : _____

I hereby record my presence at the Annual General Meeting being held on Thursday 29th September 2016 at 11.30 A.m. at 36 Advani Market, O/s Delhi Gate, Shahibaug, Ahmedabad-380004

Regd. Folio No. _____

DP Id* _____

Client Id* _____

No. of Share held _____

Member's/Proxy's Signature

(To be signed at the time of handing over the slip)

* Applicable for members holding shares in dematerialised form.

Note : Persons attending the Annual General Meeting are requested to bring their copies of Annual Report.



as my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the 30th Annual general meeting of the company, to be held on the 29th day of September, 2016 at 11.30 A.M. at the registered office of the Company situated at 36 Advani Market O/S Delhi Gate, Shahibaug, Ahmedabad-380 004 and at any adjournment thereof in respect of such resolutions as are indicated below:

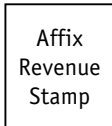
Resolution No. Particulars

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016 Statement of Profits & Loss together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2016 and Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. GOVINDRAM L. KABRA (DIN : 00006621) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of the Auditors and fix their remuneration.

Signed this _____ day of _____ 2016

Signature of Member _____

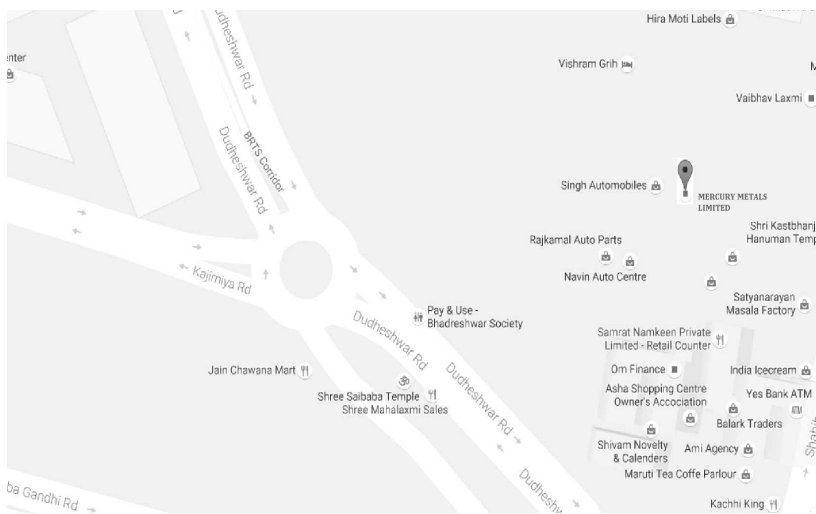
Signature of Proxy holder(s) _____



Note: 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.



ROUTE MAP OF THE AGM VENUE



Mercury Metals Limited

36 Advani Market, O/s Delhi Gate, Shahibaug, Ahmedabad-380004

If undelivered
Please return to :

MERCURY METALS LIMITED

Regd. Office : 36, Advani Market, O/s Delhi Gate,
Shahibaug, Ahmedabad-380004