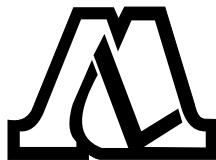


27th
ANNUAL REPORT
2012-2013



MERCURY METALS LIMITED

**TWENTY SEVENTH ANNUAL REPORT 2012-13****BOARD OF DIRECTORS**

Govindram L. Kabra	<i>Executive Director (w.e.f. 13/08/2012)</i>
Ramprakash L. Kabra	<i>Director</i>
Mahendra G. Prajapati	<i>Director</i>
Bhupendrasingh N. Rajput	<i>Director</i>

AUDITORS

M/s. Badrilal Punglia & Co.,
Chartered Accountant,
Ahmedabad

BANKERS

ICICI Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENT

MCS Ltd.

101, Shatdal Complex, 1st Floor,
Ashram Road, Navrangpura,
Ahmedabad-380009
Tel. No. : 079-26582878
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 : info@mercurymetals.in

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NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Members of Mercury Metals Limited will be held on Wednesday, 25th September, 2013 at 3.00 P.M. at Ground Floor, 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, 2013 Statement of Profits & Loss and Cash Flow Statement for the financial year ended on 31st March, 2013 and Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ramprakash L. Kabra who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix there remuneration.

Regd. Office :
36, Advani Market
O/S Delhi Gate,
Ahmedabad-380004
Date : 13/08/2013
Place : Ahmedabad

On behalf of the Board
For, **Mercury Metals Ltd.**

Govindram L. Kabra
Executive Director

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 NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.
2. Pursuant to section 154 of the Companies Act, 1956, Register of Members and Share Transfers Books of the Company will remain closed from 18th September 2013 to 25th September, 2013 (both days inclusive).
3. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual general Meeting.
4. Members are requested to :
 - a) Intimate, if shares are held in the same name or in the order and names, but in more than one account to enable the Company to club the said account into one account.
 - b) Notify immediately the change in their registered address, if any, to the Company.
5. The Equity Shares of the Company are now available for dematerialisation, as the Company has entered into Agreement with National Securities Depository Limited (NSDL). Those shareholders who wish to hold shares in electronic form may approach their Depository Participant. **The ISIN No. of the Equity Shares is INE763M01010. The Company is yet to sign tripartite agreement with Central Depository Services (India) Ltd. (CDSL).**

**Brief resume of the Director seeking re-election at the 27th Annual General Meeting**

Name	Mr. Ramprakash L. Kabra
Age (Date of Birth)	02/08/1964
Date of Appointment	10/03/1995
Qualification and experience in specific functional area	Science Graduate having more than 22 year of experience of General Administration and Marketing
Directorship held in other Ltd. Companies	NIL
Membership/Chairmanships of Committee in other Public Companies	NIL

***Pvt. Ltd. Companies excluded.**

Regd. Office :
36, Advani Market
O/S Delhi Gate,
Ahmedabad-380004
Date : 13/08/2013
Place : Ahmedabad

On behalf of the Board
For, **Mercury Metals Ltd.**

Govindram L. Kabra
Executive Director

**DIRECTOR'S REPORT**

Dear Members,

Your Directors have pleasure in presenting the 27th Annual Report together with the Audited Accounts of the Company for the year ended on 31st March, 2013.

FINANCIAL RESULTS:

The summarized financial results of the Company for the period ended 31st March, 2013. Are as follows:

	2012-13	(Amount in ₹) 2011-12
Total income (Net)	0	1,60,36,675.09
Total Expenditure	478030.54	3,41,87,820.10
Gross Profit / (Loss)	(478030.54)	(1,81,511,45.01)
Less:		
Depreciation	0	12,498.00
Provision for taxation	0	0
Profits / (Loss) after Tax	<u>(478030.54)</u>	<u>(1,81,63,643.00)</u>

DIVIDEND:

Your directors are unable to recommend any dividend in view of Net Loss during the financial year 2012-13.

OPERATIONS:

The Company has achieved sales turnover of ₹ NIL during the year compared to ₹ 100.971 Lacs during the previous year. The Company has incurred net loss of ₹ 4.78 Lacs compared to ₹ 181.64 Lacs in the previous year. Your directors are optimistic of achieving much better results in the next year.

INSURANCE:

The Company has taken sufficient insurance for the properties against risks of fire, strike, riot and earthquake.

DIRECTORS:

Mr. Ramprakash L. Kabra, Director of the Company, retires by rotation and being eligible offers himself for re-appointment.

The Board of your Company recommends his re-appointment as Director under the category of liable to retire by rotation.

PARTICULARS OF EMPLOYEES:

The particulars of the employee of the Company drawing total remuneration of ₹ 60,00,000/- per annum or ₹ 5,00,000/- per month as required U/S 217 (2A) of the Companies Act, 1956 is Nil.

FIXED DEPOSITS:

Your Company has not accepted any deposits and, as such, no amount of principal or interest was outstanding on the date of balance sheet.

**DIRECTORS' RESPONSIBILITY STATEMENT -SECTION 217 (2AA) OF THE COMPANIES ACT, 1956:****The Board of Directors states:**

- 1) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 2) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- 3) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- 4) that the Directors had prepared the annual accounts on a going concern basis.

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

- 1) CONSERVATION OF ENERGY :
 - A. Energy Conservation measures taken: The Company gives top most priority to energy conservation.
 - B. Additional investment and proposal if any being implemented for reduction in consumption of energy : NIL
 - C. Energy consumption in terms of electricity, LDO and Gas NIL.
 - D. Total energy consumption and energy consumption per unit of production: NIL.
- 2) TECHNOLOGY ABSORPTION :
 - A. Adoption and innovation : N.A.
 - B. Research and development (R & D) : NIL
- 3) FOREIGN EXCHANGE EARNINGS AND OUT GO : NIL

CORPORATE GOVERNANCE:

The Report on Corporate Governance required under Clause 49 of the Listing Agreements is annexed.

LISTING:

The Equity shares of the Company are listed on Ahmedabad and Bombay Stock Exchanges. The Company has paid Annual Listing Fees of Bombay Stock Exchange, up to the year 2013-14.

AUDITORS:

The present Auditors of the Company M/s. Badrilal Punglia & Co., Chartered Accountants', Ahmedabad were appointed as Auditors and will retire at the ensuing Annual General Meeting. M/s. Badrilal Punglia & Co., Ahmedabad have informed the Company about their inability to continue as an Auditor of the Company and therefore the Company has approached M/s. Ambalal Patel & Co., Chartered Accountants, Ahmedabad to act as an Auditor of the Company. M/s. Ambalal Patel & Co., Chartered Accountants, Ahmedabad have submitted certificate for their eligibility for appointment under Section 224(1B) of the Companies Act, 1956. The Appointment of M/s. Ambalal Patel & Co., Chartered Accountants, Ahmedabad as Statutory Auditors of the Company will be effective from the conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting. Your Directors recommend the appointment of M/s. Ambalal Patel & Co., Chartered Accountants, Ahmedabad Auditors of the Company. The notes and remarks of Auditors' are self-explanatory.

**AUDITORS REPORT AND COMMNETS:**

1) Valuation of Investment at cost as stated in Note no. (7)

The Company has invested in the equity shares of Shree Metalloys Ltd. and the total cost of acquisition was ₹29,98,750 for 303100 equity shares. The present Market Value of these shares is more than the acquisitions cost of the Company and there is no erosion of value of investment of the Company, therefore no provision is required and the said investment has been shown at its acquisition cost. Further the Company has invested in the shares of Charottar Nagrik Sahkari Bank Ltd. as it was compulsory for the borrower of the said bank to take shares of the said Bank. The shares of Charottar Nagrik Sahkari Bank Ltd. are not listed, therefore the current market value of these shares are not known and so the same has been shown at the acquisition cost.

2) Non Provision of Book Debts as stated in Note No. (8)

The Board has not provided for the doubtful debts of ₹18605486.12/- as the Management of the Company thinks that the same are recoverable and also perusing the matter with the debtors of the Company to recover the outstanding. Once all efforts to recovers seems to be failed to management, the same will be provided in the Books of the Company.

3) Non Provision of Interest as stated in Note No. (18)

The Company has entered into One time Settlement (OTS) Scheme with Charottar Nagrik Sahkari Bank Ltd. for the payment of its outstanding liabilities, as the current financial position of the Company is not good, the Company failed to make payment as per the terms of the OTS during the year. As per the terms of the OTS, if the Company fails to make payment of any installments of the OTS, the Company would be liable for the payment of interest @ 7% per annum on the said installment value alongwith penal interest @ 1% and same will be payable on the full and final settlement of the outstanding, therefore no provision has been made during the year by the Company, the same will taken on the Books on its payment to the Bank.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the support extended by Bankers and Office bearers of Government Department and Financial Institutions. Your Directors also acknowledge the continued invaluable support extended by you - our shareholders- and the confidence that you have placed in the company.

For and On behalf of the Board

Date : 13/08/2013
Place : Ahmedabad

Govindram L. Kabra
Executive Director

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Management Discussion & Analysis Report Pursuant to Clause 49 of Listing Agreement.

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

The Metal industry to which the Company belongs is high capital investment sector. Presently this sector is very volatile and needed experienced management to cope up with the increasing competition. This sector has good business opportunity looking to increasing demand from infrastructure sector. The present management of the Company is having required level of skill and looking to expansion plans; the Company will include good mixture of experience manpower at various levels. This sector is dominated by big players and requires huge investment to compete in highly volatile market the management is also looking to restructure the capital base of the Company.

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 2012-13 is described in the Directors Report.

v) Human Resources/ Industrial Relations

Your Company has undertaken certain employees' Development initiative which have very positive impact on the moral and team spirit of the employees. The Company has continued to give special attention to Human Resource/ Industrial Relations development. Industrial relations remained cordial throughout the year and there was no incident of strike, lock-out etc.

vi) 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

Date : 13/08/2013
Place : Ahmedabad

Govindram L. Kabra
Executive Director



CORPORATE GOVERNANCE REPORT 2012-13

(As required under Clause 49 of the Listing Agreements)

The Directors presents the Company's report on Corporate Governance in accordance with the provisions of clause 49 of the Listing Agreement with stock exchanges.

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Board has adopted the principles of good corporate governance and it is committed to adopting the same in future. It is true that the compulsion may initiate steps for compliance however voluntary adoption may take the same at its true place. We have taken steps for the good corporate governance practice, which will lead to the ethics of integrity, transparency and accountability.

THE BOARD OF DIRECTORS

(A) Composition, Category and Attendance of Board of Directors

As on March 31, 2013, the Board of Company consisted of 4 Director out of whom 3 are Non-Executive Directors and 1 is Executive Director comprising Whole time Director designated as Executive Director.

The composition of the Board is in conformity with the requirements of Clause 49 of the Listing Agreement. The composition of the Board, number of Board Meetings held, attendance of the Directors at the Board Meetings and last Annual General Meeting and the number of Directorship and Chairmanship/Membership of Committees in other Companies in respect of each Director is given below:

Sr. No.	Name of Director	Category	Attendance Particulars		No. of Directorship(s)/Committee Membership(s)/Chairmanship(s) of Other Companies				
			No. of Board Meeting during FY 2012-13	At AGM held on September 25, 2012	Other Director ship (s)	Committee Member ship(s)	Committee Chairman ship(s)		
			Held	Attended					
1.	Mr. Govindram L. Kabra	Non-Independent Executive Director	5	5	Yes	-	-	-	
2.	Mr. Ramprakash L. Kabra	Non-Independent Non Executive Director	5	5	Yes	-	-	-	
3.	Mr. Mahendra G Prajapati	Independent Non Executive Director	5	5	Yes	-	-	-	
4.	Mr. Bhupendra Singh N. Rajput	Independent Non Executive Director	5	5	NA	1	1	2	

NOTES:

- Number of Meetings represent the Meetings held during the period in which the Director was Member of the Board.
- Number of other Directorships indicated above is exclusive of the Directorships on the Board of private limited companies, foreign companies, companies under Section 25 of the Companies Act, 1956, alternate Directorship and non-corporate institutions.
- In case of Directors retired/resigned, the status of other Directorship and Committee Membership is on the basis of the last disclosure made by the Director.
- The details of Committee Memberships considered for the purpose are those prescribed under Clause 49(I)(c)(ii) of the Listing Agreement viz. Audit Committee and Investors' Grievance Committee of public limited and private limited companies which are subsidiaries of public limited companies in terms of Section 3(1)(iv)(c) of the Companies Act, 1956.



5. Except Mr. Govindram L. Kabra and Mr. Ramprakash L. Kabra, none of the Directors are related to each other.
6. None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the companies in which they are Directors. Necessary disclosures regarding the positions in other public companies as on March 31, 2013 have been made by the Directors.
7. The independence of a Director is determined by the criteria stipulated under Clause 49 of the Listing Agreement.

(B) NUMBER OF BOARD MEETINGS HELD AND DATES

During the financial year 2012-13, the Board of Directors met Five (5) times. The dates of the Meetings were 14/05/2012, 13/08/2012, 01/11/2012, 11/02/2013 and 20/03/2013. The time gap between two Meetings was not more than 4 months.

(C) INFORMATION AVAILABLE TO THE BOARD

During the year 2012-13, information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board for its consideration. The aforesaid information is generally provided as a part of the agenda of the Board Meeting or is placed at the table during the course of the Meeting. The Whole time Director and other senior management staff are also invited to the Board Meetings to present reports on the Company's operations and internal control systems. The detailed agenda is sent to the Directors a week before the Board Meeting. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted to be taken up as 'any other item' with the permission of the Chairman. The Board also periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company.

AUDIT COMMITTEE

Term of reference:

The terms of reference of the Audit committee, as specified by the Board, includes the whole as specified in the clause 49 of the listing agreement, including a review of audit procedures and techniques, financial reporting systems, internal control systems and procedures besides ensuring compliance with regulatory guidelines. The committee members are collectively having requisite knowledge of finance, accounts and company law. All Members of the Committee are non-executive and majority of them being independent directors. The committee also recommends the appointment of external auditors and their fees and payments and also takes an overview of the financial reporting process to ensure that financial statements are correct sufficient and credible. The report of the statutory auditors is reviewed along with managements' comments and action-taken reports. During the financial year ended on 31st March 2013, The Audit Committee met four times on 14/05/2012, 13/08/2012, 01/11/2012 and 11/02/2013 respectively.

Composition, Meetings and attendance of the Audit Committee during the year:

Sr. No.	Director	Status	No. of Meetings Attended
01	Mr. Bhupendrasingh N. Rajput	Chairman	04
02	Mahendra G. Prajapati	Member	04
03	Mr. Rampraksash L. Kabra	Member	04

REMUNERATION COMMITTEE

The remuneration committee consists of three directors all being non-executive directors. The committee recommends the remuneration packages to the Managing/Executive Directors, to the senior officers, employees etc.

Composition:

The Remuneration Committee comprises Shri Mahendra G. Prajapati as chairman, Shri Ramprakash Kabra and Shri Bhupendrasingh N. Rajput members of the Committee respectively.

Meetings and attendance during the year.:

There was one (1) meeting held on 13/08/2012 of the Committee to fix the remuneration of Mr. Govindram Laluram Kabra who was appointed as a Wholetime Director of Company not liable to retire by rotation designated as an Executive Director. All the committee members were present in that meeting.

**SHAREHOLDER /INVESTOR GRIEVANCES/TRANSFER COMMITTEE:**

All the matters relating to Shareholders/Investors were reviewed as well as considered by the Shareholders/Investors grievance Committee. Adhere to the Corporate Governance requirements and for the purpose of disposal of shareholders/investors complains and to help them, the Board has constituted Shareholder/investors Grievances committee. This committee reviews, records and helps shareholders/investors and expedite transfer of shares, resolve and attend any grievances of the investors.

Composition:

The composition of committee comprises of Shri Mahendra G. Prajapati as Chairman of the committee and Shri Bhupendrasingh N. Rajput and Shri Ramprakash L. Kabra as Member of the Committee.

Complaints:

During the year there were no complaints regarding non receipt of dividend warrants and annual reports. As on date there is no pending complaint.

MEANS OF COMMUNICATION:

- A) In Compliance with the requirement of Agreement, the Company now regularly intimates Unaudited/Audited Financial Results of the Stock Exchange/s immediately after they are taken on record by the Board of Directors. These Financial Results are normally published in Lokmitra (Gujarati) and Free Press Gujarat (English).
- B) During the financial year ended on 31st March, 2013 no presentation was made to institutional investors or analyst or any other enterprise.
- C) Management Discussion and Analysis Report form part of the Annual Report.

GENERAL BODY MEETINGS:

The previous three Annual General Meetings of the Company were held within the statutory time period and the details of the same are as under:

AGM	Financial Year	Date	Time	Venue
26 th	2011-12	25 th September, 2012	11.00 a.m.	First Floor, Advani Market, O/s Delhi Gate Shahibaug,Ahmedabad-380004
25 th	2010-11	29 th September, 2011	10:00 a.m.	Advani Market O/S Delhi Gate, Shahibaug, Ahmedabad-380004
24 th	2009-10	9 th September, 2010	11:00 a.m.	36, Advani Market, O/s Delhi Gate Shahibaug,Ahmedabad-380004

There was 2 (Two) Special resolution passed by the Company at the previous AGM. Pursuant to the provisions of Sections 192 A of the Companies Act, 1956, there was no matter during the year 2012-13, required to be dealt by the Company to be passed through postal ballot.

DISCLOSURES:**(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**

In terms of Section 299 (3) of the Companies Act, 1956, the General Notices of disclosure of interest are obtained from the Directors and accordingly, the Register of Contracts under Section 301 of the Companies Act, 1956 is tabled and signed.

(b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

No strictures and penalties have ever been imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities, on matters related to capital markets. The Company is regular in compliances of listing agreement clauses with BSE.

(c) The Company has adopted a Code of Conduct for its Directors and employees.

This Code of Conduct has been communicated to each of them.

**(d) Regarding Dematerialization of Shares:**

The Company had signed tripartite agreement with NSDL and has been allotted ISIN No. INE763M01010. The Company has made application to CDSL for connectivity at CDSL.

(e) The Company has implemented all the applicable mandatory requirement of Clause 49 of Listing Agreement.**(f) Non Mandatory Requirement:**

The Clause 49 states that the non-mandatory requirement may be implemented as per the discretion of the management and is need based.

GENERAL SHAREHOLDERS INFORMATION:

- A) Annual general meeting :
 Day and Date : Wednesday, 25th September, 2013
 Time : 03.00 p.m.
 Venue : Ground Floor, Advani Market, O/s Delhi Gate, Shahibaug, Ahmedabad- 380004
- B) Financial Calendar (tentative) for: 2013-2014
 1st Quarter Results : 2nd week of August, 2013
 Half-Yearly Results : 2nd week of November, 2013
 3rd Quarter Results : 2nd week of February, 2013
 Yearly Results (Un-audited) : end of the May, 2013
- C) Book Closure : 18th September, 2013 to 25th September, 2013 (both days Inclusive)
- D) Listing of Shares and Securities : The Company's shares are presently listed at Bombay Stock Exchange and Ahmedabad Stock exchanges.
 Stock Code : ASE – 36457
 BSE – 531357
- E) Market Price Data : The information of Stock Price data are submitted here under:

Month	BSE		Shares Traded (No.)
	High(₹)	Low(₹)	
April, 2013	10.25	7.05	3600
May, 2013	7.12	6.47	1000
June, 2013	6.75	6.75	800
July, 2013	7.07	6.42	1100
August, 2013	6.74	6.41	400
September, 2013	7.76	6.40	700
October, 2013	-	-	-
November, 2013	7.38	5.81	600
December, 2013	6.00	5.60	400
January, 2013	5.60	5.07	1500
February, 2013	5.38	5.12	2300
March, 2013	4.87	3.99	1900

F) Category of Shareholding as on 31st March, 2013

Category	No. of Shares	%to Share Capital
Indian Promoters	29,31,308	42.16
Mutual Funds	-	-
Bank , Financial Institute	-	-
Private Corporate Bodies	345600	4.97
NRI's/OBCs	-	-
FII's	-	-
Indian Public	3675900	52.87
C.M	-	-
Total	69,52,808	100.00

G) Distribution of Shareholding as on 31st March, 2013:

No. of Equity Shares Held	No. of Shareholders	% of Share Holders	No. of Shares Held	% of Shareholding
Up to 500	5877	87.7688	1070000	15.3895
501 to 1000	509	7.6016	480900	6.9166
1001 to 2000	147	2.1953	226400	3.2562
2001 to 3000	56	0.8363	142700	2.0524
3001 to 4000	25	0.3734	88400	1.2714
4001 to 5000	17	0.2539	77300	1.1118
5001 to 10000	17	0.2539	119400	1.7173
10001 to 50000	31	0.4630	697000	10.0247
50001 to 100000	8	0.1195	543700	7.8199
100001 and above	9	0.1344	3507008	50.4402
TOTAL	6696	100.00	6952808	100.00

I) Registrar And Share Transfer Agent:

The company has appointed below mentioned agency as Registrar and Share Transfer Agents (RTA) of Equity Share of the Company:

MCS Limited

Shatdal Complex, Ashram Road, Ahmedabad-380009 Tel. No. : 079-6582878 Email : mcsahmd@gmail.com

H) Investor correspondence :

Registered office : 36, Advani Market, O/s Delhi Gate, Ahmedabad-380004

Tel No. : 079-65425275 Fax No. : 079-26302231 Email : metal.mercury@gmail.com info@mercurymetals.in

For and On behalf of the Board

Date : 13/08/2013

Place : Ahmedabad

Govindram L. Kabra

Executive Director

Certification under Clause 49 (I) (D) of the Listing Agreement

All the Board Members and Senior Management personnel have affirmed compliance with the respective Codes of Conduct for Mercury Metals Limited for the financial year ended 31st March, 2013.

For, Mercury Metals Limited

Date : 13/08/2013

Place : Ahmedabad

Sd/-
Govindram L. Kabra

Executive Director

**CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION:**

I, Govindram L. Kabra, Executive Director of Mercury Metals Limited, to the best of my knowledge and belief certify that:

1. I have reviewed the Balance Sheet and Profit and loss account and all its schedules and notes on accounts, as well as cash flow statement and the directors report;
2. Based on my knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
3. Based on my knowledge and information, the financial statements and other financial information included in this report, present in all material respects, a true and fair view of, the company's affairs, the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations;
4. To the best of my knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct.
5. I am responsible for establishing and maintaining internal controls over financial reporting for the company, and we have :
 - (a) Designed such disclosure controls and procedures to ensure that material information relating to the company is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparing of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company's disclosure, controls and procedures and
 - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the company's most recent financial year that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting.
6. I have disclosed bad on our most recent evaluation, wherever applicable, to the company's auditors and the audit committee of the company's Board of directors.
 - (a) significant changes in internal controls during the year covered by this report;
 - (b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
 - (c) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.
7. I further declare that all board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

Date : 13/08/2013

Place : Ahmedabad

Govindram L. Kabra
Executive Director

CERTIFICATE ON CORPORATE GOVERNANCE

The Members of Mercury metals Limited, Ahmedabad

We have examined the compliance of conditions of corporate governance by **Mercury Metals Limited**, Ahmedabad for the year ended on 31st March, 2013 as stipulated in Clause 49 of the listing agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all materials respects with the conditions of corporate governance as stipulated in the above-mentioned listing agreement.

As per representation received from the Registrars of the Company, we state that as per records maintained by the Shareholders' / investors' Grievance Committee, no investor grievance remaining unattended / pending for more than 30 days.

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

For, Badrilal Punglia & Co.
Chartered Accountant
Sd/-

B. L. Punglia
Proprietor

Membership No. : 034230

FRN. : 100827W

PAN : AEHPP2017D

Place : Ahmedabad

Date : 13/08/2013

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of
MERCURY METALS LTD**

Report on the Financial Statements

We have audited the accompanying financial statements of **MERCURY METALS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the 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 the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, *subject to our comment in below paragraph 3*, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.
3. a) *Valuation of investments at cost as stated in note no. 7*
- b) *Non Provision of Book Debts as stated in Note No.8*
- c) *Non Provision of Interest as stated in Note No.18*

For, Badrilal Punglia & Co.
Chartered Accountant
Sd/-

B. L. Punglia
Proprietor

Membership No. : 034230
FRN. : 100827W
PAN : AEHPP2017D

Place : Ahmedabad
Date : 29/05/2013

ANNEXURE REFERRED TO IN PARAGRAPH (1) OF OUR REPORT OF EVEN DATE

Annexure referred to in paragraph 3 of the Auditor's Report of even date to the members of MERCURY METALS LIMITED on the financial statement for the year ended 31st March, 2013.

- 1 As per information and explanation provided to us, The company has no fixed assets during the year.
- 2 As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its business. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of the business. The company has maintained proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of the having regard to the size of the operations of the Company.
- 3 We are informed that the Company has not taken any loans, secured or unsecured, from/to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- 4 As per information and explanation provided to us, There are no transaction of Purchase of Fixed assets and inventory or sale of goods, hence no internal control required.
- 5 In our opinion and according to the information and explanations given to us, there is no transaction made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to ₹500000 or more in respect of any party.
- 6 As per information and explanation provided to us, The Company has not accepted any deposits from the public hence provision required U/s 58A & 58AA are not applicable.
- 7 In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.



- 8 As per information and explanation provided to us, The Central Government has not prescribed maintenance of cost Records under Section 209 (1) (d) of the Companies Act, 1956.
- 9 According to the information and explanations given to us, there are no undisputed statutory dues payable respect of Provident Fund, Investor Education and Protection Fund, Employees state Insurance, Income-tax Sales-tax, Wealth Tax, Custom Duty, Excise duty, cess which are outstanding as at 31st March,2013 for a period of more than six months from the date they became payable.
- 10 *In our opinion Company has registered for a period not less than five year, its accumulated losses at the end of the financial year ₹ 17,39,31,455.69 and during previous year it has incurred cash losses of ₹ 4,78,030.54 And in immediately preceding financial year it was NIL.*
- 11 *As per information and explanation provided to us, The company has rearrange in OTS scheme of the secured loan payable to Charotar Nagarik Sahakari Bank Ltd. But Installments due of ₹ 202.24 Lacs for the year 2012-13 under OTS scheme are not paid by the company.*
- 12 According to information and explanation provided to us, The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and in our opinion, adequate documents and records are not required to maintained.
- 13 The company is not chit Fund, Nidhi and Mutual Fund society; hence requirements of item (Xiii) of paragraph 4 of the order are not applicable to the company.
- 14 According to the information and explanations given to us, proper records have been maintained in respect of transactions and contracts, in shares, securities, debentures and other investments and timely entries have been made therein. The shares and other securities have been held by the company in its own name.
- 15 According to the information and explanations given to us, the company has not given any guarantee for loans taken by others during the year.
- 16 As per information provided to us, The company has not taken any term loans and hence requirement of reporting regarding application of term loans does not arise.
- 17 In our opinion, No short term loan was applied for long term investment.
- 18 We are informed that the company has not made any preferential allotment of shares to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- 19 As per information provided to us, The company has not issued debentures and hence requirement of reporting regarding creation of securities in respect of debentures issued does not arise.
- 20 According to information and explanation provided to us, The company has not raised any money by public issue during the year.
- 21 According to information and explanation given to us no fraud on or by the company has been noticed or reported during the course of audit.

For, Badrilal Punglia & Co.
Chartered Accountant

Sd/-
B. L. Punglia
Proprietor

Membership No. : 034230
FRN. : 100827W
PAN : AEHPP2017D

Place : Ahmedabad
Date : 29/05/2013

**BALANCE SHEET AS AT MARCH 31, 2013**

		IN ₹	
PARTICULARS	NOTE	AMOUNT AS AT 31-3-2013	AMOUNT AS AT 31-3-2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	74,656,580.00	74,656,580.00
(b) Reserves and Surplus	3	(64,078,455.69)	(63,600,425.15)
(2) Share application money pending allotment			
-			
(3) Non-Current Liabilities			
(a) Long-term borrowings	4	39,916,659.00	39,916,659.00
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	5	101,252.63	3,636,502.63
(d) Short-term provisions		-	-
Total....		50,596,035.94	54,609,316.48
II. Assets			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	6	-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	7	3,001,250.00	3,001,250.00
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances		-	-
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories (Valued & Certify by Management)		12,269,612.00	12,269,612.00
(c) Trade receivables	8	34,969,740.04	38,421,723.04
(d) Cash and cash equivalents	9	198,634.90	818,307.44
(e) Short-term loans and advances	10	156,799.00	98,424.00
(f) Other current assets		-	-
Total....		50,596,035.94	54,609,316.48

The Accompanying notes are forming part of the financial statements
As per our separate report of even date

For **Badrilal Punglia & Co.**
Chartered Accountants

(B.L. Punglia)

Proprietor

Membership No: 034230

FRN No. : 100827W

Date : 29/05/2013

Place : Ahmedabad

On behalf of the Board of Directors

Mercury Metals Limited

Executive Director

Director

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31-3-2013**

Particulars	NOTE	IN ₹	
		YEAR ENDED ON 31-3-2013	YEAR ENDED ON 31-3-2012
I. Revenue from operations	11	-	10,097,090.00
II. Other Income	12	-	5,939,585.09
III. Total Revenue	(I +II)	-	16,036,675.09
<i>IV. Expenses:</i>			
Purchase of Stock-in-Trade		-	10,425,385.00
Changes in inventories of Stock-in-Trade	13	-	1,297,360.00
Employees cost	14	264,460.00	288,583.00
Financial cost	15	490.54	20,671,686.30
Other expenses	16	213,080.00	1,504,805.80
Depreciation and amortization expense		-	12,498.00
Administrative exp.			
Total Expenses:-	(IV)	478,030.54	34,200,318.10
V. Profit before exceptional and extraordinary items and tax	(III - IV)	(478,030.54)	(18,163,643.01)
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax	(V - VI)	(478,030.54)	(18,163,643.01)
VIII. Extraordinary Items	-		
IX. Profit before tax	(VII - VIII)	(478,030.54)	(18,163,643.01)
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI. Profit(Loss) from the period from continuing operations (IX-X)		(478,030.54)	(18,163,643.01)
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations	(XII - XIII)	-	-
XV. Profit/(Loss) for the period	(XI + XIV)	(478,030.54)	(18,163,643.01)
XVI. Earning per equity share:			
(1) Basic		(0.07)	(2.61)
(2) Diluted		(0.07)	(2.61)

The Accompanying notes are forming part of the financial statements
As per our separate report of even date

For **Badrilal Punglia & Co.**
Chartered Accountants

(B.L. Punglia)
Proprietor
Membership No: 034230
FRN No. : 100827W

Date : 29/05/2013
Place : Ahmedabad

On behalf of the Board of Directors
Mercury Metals Limited

Executive Director

Director

**Cash Flow Statement For The Period 2012-13**

Particulars	Year 2012-13	Year 2011-12
Cash Flow Statement From Operation		
Net Profit As Per Profit & Loss A/C	(478,030.54)	(18,163,643.01)
Adjustment For:-		
Profit On Sale Of Fixed Assets	-	(5,016,635.27)
Dividend Income	-	(16,562.50)
Financial Charges	-	20,369,965.51
Depreciation	-	12,498.00
Unclaimed Laibilities Written Back	-	-
Sundry Balance W/O	-	(905,587.32)
Operating Profit Before Working Capital Changes	(478,030.54)	(3,719,964.59)
Adjustment For Changes In Working Capital:-		
Change In Trade Receivable	3,451,983.00	6,333,879.00
Change In Current Liabilities	(3,535,250.00)	2,872,224.96
Inventories	-	1,297,360.00
Loans And Advances	(58,375.00)	49,669.00
Cash Flow From Operating Activities:-	(141,642.00)	10,553,132.96
Financial Charges		
Taxes Paid		
Net Cash Flow From Operating Activities :- (A)	(619,672.54)	6,833,168.37
Cash Flow From Investing Activity:-		
Profit From Sale Of Fixed Assets	-	5,004,137.27
Loan Given To Employee	-	
Dividend Income		16,562.50
Cash Flow From Investing Activity:- (B)	-	5,020,699.77
Cash Flow From Financing Activity:-		
Proceeds From Long Term Borrowing		
Repayment Of Secured Loan	-	(12,289,986.64)
Cash Flow From Financing Activity:- (C)	-	(12,289,986.64)
Net Cash From Activity (A+B+C)....	(619,672.54)	(436,118.50)
Cash & Cash Equivalent In The Beginning:-	818,307.44	1,254,425.94
Cash & Cash Equivalent At The End:- (Clo. Bal)	198,634.90	818,307.44
The Accompanying Notes Are Forming Part Of The Financial Statements		

For **Badrilal Punglia & Co.**
Chartered Accountants

(B.L. Punglia)
Proprietor
Membership No: 034230
FRN No. : 100827W

Date : 29/05/2013
Place : Ahmedabad

On behalf of the Board of Directors
Mercury Metals Limited

Executive Director

Director



Note No:- 1

(i) SIGNIFICANT ACCOUNTING POLICIES :-

A. BASIS OF ACCOUNTING:-

Financial statement is prepared under the historical cost conversion. The company follows mercantile systems of accounting and recognized income & expenditure on accrual basis except in case of significant uncertainties relating to income.

B. REVENUE RECOGNITION :-

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

C. FIXED ASSETS :-

There is not fixed assets held by the company.

D. DEPRECIATION & AMORTIZATION:-

i) DEPRECIATION:-

There is no Fixed assets held by company hence no Depreciation is provided.

ii) AMORTIZATION:-

No Amortization of preliminary or preoperative expenses as there are no balance in these Accounts.

E. INVESTMENT:-

Investment are stated at cost.

F. INVENTORIES :-

Inventories of shares & securities are valued at cost.

G. RETIREMENT BENEFITS :-

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

H. CONVERSION OF TRANSACTION IN FOREIGN CURRENCY:-

No Foreign currency transaction done during the year.

I. BORROWING COST:-

No Term Loan , Secured or unsecured loan taken for expansion and addition of Fixed Assets

J. DIVIDEND :-

Dividend income is recognized when the right to receive the same is established. During the year there is no receipt of Dividend income.

K. TAX PROVISION:-

As company has incurred loss during the year. Hence no tax provision is made. Due to loss in current year no MAT provision is required to be made by the company. Further in view of loss carry forward of the previous year no deferred tax provision is made by the company.

**MERCURY METALS LIMITED****Note :- "2" :- Share Capital****In ₹**

Particulars	Amount As At 31-3-2013	Amount As At 31-3-2012
Authorised Capital		
10000000 Equity Shares Of 10 Each	100,000,000.00	100,000,000.00
Issued & Subscribed Capital		
7978508 Equity Shares Of 10 Each (Out Of Which 1726907 Are Issued As Bonus Shares)	79,785,080.00	79,785,080.00
Paid Up Share Capital		
6952808 Equity Shares Of ₹10/- Each (Out Which 1726907 Equity Shares Are Issued As Bonus Shares)	69,528,080.00	69,528,080.00
Share Forfeiture A/C.	5,128,500.00	5,128,500.00
Total.....	74,656,580.00	74,656,580.00

Reconciliation of the number of shares outstanding is set out below

Equity shares at the beginning of the year:-	7,978,508.00
Equity shares at the end of the year:-	7,978,508.00
Equity shares held by each shareholder more than 5% shares in the year:-	

Sr. No.	Name	%	No. of Shares
1)	Shri Govindram Laluram	24.04%	(1671800 Shares)
2)	Shri Motilal Laluram Kabra.	5.62%	(390508 Shares)

Note :- "3" :- Reserve & Surplus**In ₹**

Particulars	Amount As At 31-3-2013	Amount As At 31-3-2012
Share Premium		
Opening Balance	109,841,000.00	109,841,000.00
Capital Reserve		
Opening Balance	12,000.00	12,000.00
Profit & Loss A/C.		
Opening Balance	(173,453,425.15)	(155,289,782.14)
Add Loss For The Year	(478,030.54)	(18,163,643.01)
Total For The Period	(173,931,455.69)	(173,453,425.15)
Total.....	(64,078,455.69)	(63,600,425.15)

Note :- "4" :- Long Term Borrowing**In ₹**

Particulars	Amount As At 31-3-2013	Amount As At 31-3-2012
Loan From Banks :- (Hy. of Stock, Debotrs & Personal Guarantee)	39,916,659	39,916,659
Total.....	39,916,659	39,916,659

During The Previous Year Company Has Availed OTS Scheme As Prescribed By GOG With The Charotar Nagrik Bank Ltd H.P A/C 72 Vide Their Letter Dated 13/12/2011 Company Has To Pay ₹33014386 Is Payable On ₹ 1375600 Monthly 24 Installment And Simple Interest @ 7% Thereon. But The Company Has Not Paid Any Installment And Interest Due Against The Above Scheme During The Year 2012-13 During The Previous Year Company Has Availed OTS Scheme As Prescribed By GOG With The Charotar Nagrik Bank Ltd. B/P. A/C No.2 Vide Their Letter Dated 13/12/2011 Company Has To Pay Amount Of ₹73,84,451 Is Payable on ₹ 309768 Instalment And Simple Interst @7% Thereon. But The Company Has Not Paid Any Installment And Interest Due Against The Above Scheme During The Year 2012-13.

The Above Balances Are Subject To Completion Of OTS Scheme By The Company In Prescribed Time Period.


Note "5" Other Current Liabilities
In ₹

Particulars	Amount As At 31-3-2013	Amount As At 31-3-2012
Trade Payable	-	3,566,213.00
Duties And Taxes	4,750.00	28,250.00
Other Liabilities	96,502.63	42,039.63
Total.....	101,252.63	3,636,502.63

NOTE :- "6" FIXED ASSETS
In ₹

Year	Particulars of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		Value as on 1-April	Addition During the Year	Adjustment during the year	Value as on 31-March	Value as on 1-April	For The Year	Adjustment	As On 31 March	As On 31 March	As On 31 March
Current Year 2012-13	Property (Adrawal Complex)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Previous Year 2011-12	Property (Adrawal Complex)	1127206.73	0.00	1127206.73	0.00	631344.00	12498.00	643842.00	0.00	0.00	495862.73
	TOTAL.....	1127206.73	0.00	1127206.73	0.00	631344	12498	643842	0.00	0.00	495862.73

Note :- "7" Non Current Investment
In ₹

Particulars	Amount As At 31-3-2013	Amount As At 31-3-2012
Shares, Debenture Or Bonds		
Investment In Associate Company		
1) 303100 Shares Of Shree Metalloys Ltd. (Formally Known As Mercury Finstock Co. Ltd)	2,998,750.00	2,998,750.00
Other Investment		
2) Shares Of Charotar Nagrik Bank	2,500.00	2,500.00
Total....	3,001,250.00	3,001,250.00

Notes :-"8" Trade Receivable :-
In ₹

Particulars	Amount As At 31-3-2012	Amount As At 31-3-2011
Trade Receivable For A Period Exceeding Six Month From The Date They Were Due For Payment		
Unsecured Considered Good	16,364,253.92	16,764,253.92
Unsecured Considered Doubtful	18,605,486.12	18,605,486.12
Less Provision For Doubtful Debts		
Tarde Receivable Outstanding For A Period Less Than Six Months From The Date They Were Due For Payment Considered Good	-	3,051,983.00
Total....	34,969,740.04	38,421,723.04

No provision made for doubtful debts of ₹ 18,605,486.12

**MERCURY METALS LIMITED****Notes :- "9" Cash and Cash Equivalents :-****In ₹**

Particulars	Amount As At 31-3-2013	Amount As At 31-3-2012
Bank Balance With Schedule Bank	64,717.16	586,261.70
Bank Balance With Other Bank	1,936.74	46,936.74
Cash In Hand	131,981.00	185,109.00
Total	198,634.90	818,307.44

Note :- "10" Loans & Advances :-**In ₹**

Particulars	Amount As At 31-3-2013	Amount As At 31-3-2012
Unsecured Considered Good		
Sundry Deposites	27,690.00	27,690.00
Other Current Assets	129,109.00	70,734.00
Total....	156,799.00	98,424.00

Note:- "11" :- Revenue Income From Operation**In ₹**

Particulars	Year Ended On 31-3-2013	Year Ended On 31-3-2012
Sales (Metals)	-	9,971,965.00
Sale Of Shares	-	125,125.00
Total ...	-	10,097,090.00

Note :- "12" :- Indirect/Other Income**In ₹**

Particulars	Year Ended On 31-3-2013	Year Ended On 31-3-2012
Dividend Income	-	16,562.50
Previous Year Income	-	800.00
Profit On Sale Of Property	-	5,016,635.27
Sundry Balances Written Off *	-	905,587.32
Total.....	-	5,939,585.09

Note:- "13" :- Change In Inventories Of Stock In Trade**In ₹**

Particulars	Year Ended On 31-3-2013	Year Ended On 31-3-2012
Closing Stock	12,269,612.00	12,269,612.00
Less:- Opening Stock	(12,269,612.00)	(13,566,972.00)
Total.....	-	(1,297,360.00)

**Note:- "14" Employees Cost**

In ₹

Particulars	Year Ended On 31-3-2013	Year Ended On 31-3-2012
Managing Director Remuneration	120,000.00	120,000.00
Bonus Exp.	5,000.00	4,500.00
Salary Exps.	94,260.00	129,083.00
Allowance To Employees	45,200.00	35,000.00
Total	264,460.00	288,583.00

Note:- "15" Financial Cost

In ₹

Particulars	Year Ended On 31-3-2013	Year Ended On 31-3-2012
Interest Paid	210.00	20,369,965.51
Commission Paid For Sale Of Property	0.00	275,000.00
Bank Charges	280.54	26,720.79
Total	490.54	20,671,686.30

Note:- "16" Other Expenses

In ₹

Particulars	Year Ended On 31-3-2013	Year Ended On 31-3-2012
Advertisement Exps.	18,620.00	15,054.00
Auditors Remuneration:-		
Audit Fees	24,000.00	24,000.00
Tax Audit Fees	0.00	5,500.00
Listing & Custodian Fees	44,944.00	1,338,486.00
Legal & Registration Fees	6,783.00	18,043.00
Miscellaneous Expenses	3,230.00	9,796.80
Postage Exp	3,604.00	49,386.00
Printing & Stationary Expenses	17,850.00	9,270.00
Professional & Consultancy	79,967.00	11,000.00
Repairs & Maintance Expenses	7,263.00	4,642.00
Telephone Expenses	2,819.00	2,814.00
Travelling Expenses	0.00	8,814.00
Website Expenses	4,000.00	8,000.00
Total	213,080.00	1,504,805.80

Note :- "17" CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF :-

Nil, as in the opinion of the Management, there is no contingent liability.

Note:- "18"

The provision for all known liabilities has been made except interest and penal interest payable to Charotar Nagrik Sahakari Bank Limited towards their OTS, as company has not paid any installment/interest during the year. During the year Company has not provided interest liability of about ₹ 27.95 lacs @ 7% on the outstanding settlement loan amount pending.

**Note:- "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 secured and unsecured loans, 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.

Note:-20

Inventories of shares are subject to physical verification. In respect of shares held inventories by company, the same are stated at cost of acquisition. In respect of quoted shares where market value is not available no provision is made for diminution in the value of shares. Since in the opinion of the management, such decline is temporary phase and no provision would be necessary.

Note:-21

Value of import on CIF basis in respect of material is :- NIL (Previous year :- NIL) Value of all imported materials & % of such material with total cost of material is ₹ NIL (P.Y.NIL)

Earning in foreign exchange is :- NIL (Previous Year :- NIL)

Note:-22

The liabilities of small scale industries for suppliers & services in excess of 100000/- is NIL

Note:-23

Segment information for the year ended 31st March,2013

Segment information is not applicable to company as company does not have any business.

Note:- "24" Earning Per Share

In terms of Accounting Standard 20, the calculation of EPS is given below:

Particulars	2012-13	2011-12
Profit/(Loss) after tax as per profit or loss statement	(4,78,030.54)	(1,81,63,643)
Weighted average No. of Equity shares outstanding during the year	6952808	6952808
Nominal value of Shares	10	10
Basic EPS (₹)	(0.07)	(2.61)
Diluted EPS (₹)	(0.07)	(2.61)

Note:-"25"

Related party disclosure as required by AS-18 are given below.

Group Companies are:-

- | | |
|---|--|
| 1) Shree Metalloys Ltd. | 2) Milan Metal Pvt. Ltd. (In Liquidation) |
| 3) Mercury Metex Ltd. (In Liquidation) | 4) Rupangi Impex Limited (In Liquidation) |
| 5) Shree Extrusions Limited | |

Directors :-

Shree Govindram L. Kabra (Managing Director)

Shree Ramprakash L. Kabra

Shree Mahendra G. Prajapati.

Shree Bhupandrasingh Rajput

Transaction during the year :-

In ₹

Particulars	Year 2012-13	Year 2011-12
Remuneration paid to Govindram L. Kabra (Managing Director)	120000/-	120000/-

Note:-"26"

The previous year figures have been regrouped/ reclassified wherever necessary to make them comparable to current year figures

For **Badrilal Punglia & Co.**
Chartered Accountants

On behalf of the Board of Directors

Mercury Metals Limited

(B.L. Punglia)

Proprietor

Membership No: 034230

Executive Director

FRN No. : 100827W

Date : 29/05/2013

Place : Ahmedabad

Director

MERCURY METALS LIMITED

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

PROXY FORM

DP Id* _____ Regd. Folio No. _____

Client Id* _____

I/We _____

of _____ in the district of _____ being a member/members of the above named Company, hereby appoint

Mr./Mrs. _____ of _____ in the

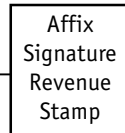
district of _____ or failing him/her Mr./Mrs. _____ of

_____ in the district of _____

as my/our Proxy to vote for me/our behalf at the at the Annual General Meeting of the Company to be held on Wednesday, 25th September, 2013 at 3.00 P.M. at Ground Floor, Advani Market O/S Delhi Gate, Shahibaug, Ahmedabad -380004

Signed the _____ day of _____ 2013

Signature _____



* Applicable for members holding shares in dematerialised form.

- 1. The Proxy Form signed across revenue stamp should reach the Company's Registered Office at least 48 hours before the scheduled time of meeting.

MERCURY METALS LIMITED

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 Wednesday, 25th September, 2013 at 3.00 P.M. at Ground Floor, 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.

BOOK-POST

If undelivered

Please return to :

MERCURY METALS LIMITED

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