

MERCURY METALS LIMITED

CIN: L27109GJ1986PLC008770

Registered Office: 36, Advani Market O/S Delhi Gate, Shahibaug Road, Ahmedabad-380004 (Gujarat)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF THE COMPANY**INDEX**

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NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Members of Mercury Metals Limited will be held as under:

DAY : Saturday
DATE : 14th February, 2015
TIME : 12:30 P.M
VENUE : 36, Advani Market, O/S Delhi Gate, Shahibaug Road, Ahmedabad-380004

To transact the following special business:

ITEM NO.1:**TO CONSIDER THE REDUCTION OF CAPITAL OF THE COMPANY, WITH OR WITHOUT MODIFICATION, AS A SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to section 100 to 104 read with 391 to 394 and other relevant provisions of the Companies Act, 1956, Article 10 of the Articles of Association of the Company and subject to confirmation by the Hon'ble High Court of Judicature at Ahmedabad, in the state of Gujarat, consent of the members of the Company be and is hereby accorded to the reduction in the paid-up share capital of the Company with effect from the effective date of the Scheme from **Rs.7,46,56,580/-** (Rupees Seven Crores Forty Six Lacs Fifty Six Thousands Five Hundreds Eighty Only) divided into 69,52,808 Equity Shares of Rs. 10/- (Rupees Ten Only) each fully paid up and share forfeiture account of Rs.51,28,500/- TO **Rs.69,52,808/-** (Rupees Sixty Nine Lacs Fifty Two Thousands Eight Hundred Eight Only) divided into 69,52,808 Equity Shares of Re.1/- (Rupee One Only) each fully paid up and that such reduction be effected by reducing the paid up value of shares of the Company from Rs.10/- per share to Re.1/- per share, on 69,52,808 Equity Shares and cancellation of share forfeiture account of Rs.51,28,500/-, aggregating to 6,77,03,772/- in the existing paid up Equity Share Capital which is lost or un-represented by the available assets i.e. Debit balance in Profit & Loss Account."

RESOLVED FURTHER THAT after reduction of the capital of the Company, the paid up capital of the Company be re-organised subject to such rights, privileges and conditions attaching thereto as are provided by the Memorandum and Articles of Association of the Company and the board be and hereby authorized to implement, modify, amend and alter the REDUCTION OF CAPITAL of the Company in accordance with the order of the Hon'ble High Court judicature at Ahmedabad in the state of Gujarat and such other authorities, Stock Exchange, Registrar of Companies, Securities and Exchange Board of India.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to move the petition/application to the Hon'ble High Court judicature at Ahmedabad for an order confirming the aforesaid reduction and to submit necessary applications under the Companies Act, 1956 and/or the Companies Act, 2013, Listing Agreement, SEBI Act, 1992 and other Applicable Rules and Regulation for the purpose of giving effect to the above mentioned reduction of capital and to do all such other acts, matters, deeds as may deem fit and proper to carry out the reduction of capital.."

ITEM NO.2:**TO CONSIDER WITH OR WITHOUT MODIFICATION TO DEAL WITH FRACTIONAL SHARE AND IMPLEMENTATION OF REDUCTION OF CAPITAL OF THE COMPANY, AS A SPECIAL RESOLUTION:**

"RESOLVED THAT on account of reconstruction/restructuring of capital, every shareholder of the Company, whose name appears on the Register of Members as on the Record Date, will get 1 (one) Equity Share of Re.1/- (Rupees One Only) each fully paid up against every 1 (one) Equity Shares of Rs.10/- (Rupees Ten Only) each fully paid up, held earlier in the Company, therefore there will be no instance of issuance of fractional shares.

RESOLVED FURTHER THAT for the purpose of giving effect to the reduction of capital AND as per the direction of Hon'ble High Court judicature at Ahmedabad and/or such other authorities, Stock Exchange, Government, Registrar, the Securities and Exchange Board of India, the Board of Directors of the Company be and is hereby authorized to:

- A. Fix the Book Closure/Record Date to give effect to the reduction of capital;
- B. Make necessary application to the depositories including NSDL/CDSL and Registrar and Share transfer Agent ; and
- C. Issue new share certificates in accordance with Companies (Share Capital and Debentures) Rules, 2014.
- D. Listing and trading application to stock exchange(s).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to give effect the changes and take appropriate steps to intimate the CDSL / NSDL, BSE and other statutory authorities and call back the existing share certificates from the share holders or issue fresh new set of certificates as deem fit and proper or to give effect the changes in the physical shares, issue new share certificates with a new set of distinctive numbers and certificate numbers in the aforesaid proportion under intimation to CDSL / NSDL, BSE and other statutory authorities, and subject to the rules as laid down in the Companies (Share Capital and Debentures) Rules, 2014 and the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and it is hereby authorised to do all such acts, deeds, matters and things as it may, in its discretion, deem necessary."

ITEM NO.3:**TO CONSIDER THE AMENDMENT TO CLAUSE-V OF THE MEMORANDUM OF ASSOCIATION (CAPITAL OF THE COMPANY), WITH OR WITHOUT MODIFICATION, AS A SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 the existing clause V of the Memorandum of Association of the Company as to share capital be and is hereby modified and Clause-V be read as :

MOA

- V. The Authorised Share Capital of the Company is 10,00,00,000/- (Rupees Ten Crores Only) divided into 10,00,00,000 (Ten Crores) equity shares of Re.1/- (Rupees One Only) each with such rights, privileges and obligations as the Company may determine from time to time with the power to increase, reduce, consolidate, sub-divide, convert, cancel, alter or otherwise re-organize the capital and to attach thereto such preferential, differential, qualified or special rights, privileges or conditions as may be determined from time to time and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may, for the time being provided by the regulations of the Company. The rights of the preference shall be determined at the time of issue thereof

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its discretion, deem necessary"

Place : Ahmedabad
Date : 09/01/2015
Registered Office:
36, Advani Market,
O/S Delhi Gate, Shahibaug Road,
Ahmedabad- 380004, Gujarat

By Order of the Board

GOVINDRAM L. KABRA
Executive Director
(DIN: 00006621)

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING.**
- Members are requested to notify any correction /change in their name /address including Pin Code number immediately to the Companies Register/ Depository Participant .In the event of non – availability of Members latest address either in the Companies records or in Depository Participant's records, members are likely to miss notice and other valuable correspondence sent by the Company.
- Members are requested to kindly mention their Folio Number/ Client ID Number (in case of demat shares) in all their correspondence with the Companies Registrar to enable prompt reply to their queries.
- Members are requested to bring the Notice of the meeting along with the Attendance slip with them duly filled in and hand over the same at the entrance of the Meeting Hall.
- All documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days, Monday to Friday between 11.00 A.M. to 1.00 P.M.
- Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE EXTRA ORDINARY GENERAL MEETING

ITEM NO.1, 2 AND 3 REDUCTION OF CAPITAL BETWEEN MERCURY METALS LIMITED AND ITS SHAREHOLDERS UNDER SECTIONS 391 TO 394 READ WITH SECTIONS 100 TO 104 OF THE COMPANIES ACT, 1956.

**RECONSTRUCTION OF CAPITAL OF MERCURY METALS LIMITED
(UNDER SECTION 391 TO 394 READ WITH SECTION 100 TO 104 OF THE COMPANIES ACT, 1956)**

PREAMBLE

This Scheme provides for undertaking financial restructuring and reconstruction of Mercury Metals Ltd. (hereinafter referred as "MML or "the Company"), whereby the paid-up share capital of the Mercury Metals Ltd. shall be reduced from Rs.7,46,56,580/- divided into 69,52,808 equity shares of Rs.10/- each fully paid-up and share forfeiture account (Amount originally paid-up) of Rs.51,28,500/- on forfeiture of 10,25,700 partly paid-up shares to Rs. 69,52,808/- divided into 69,52,808 equity shares of Re.1/- each fully paid-up and that such reduction be effected by cancelling the capital which has lost or is unrepresented by available tangible assets, to the extent of Rs.9/- per share upon each of the 69,52,808 equity shares which have been issued by reducing the paid-up value of all the shares in the capital of the Company from Rs.10/- per share to Re.1/- per share and cancellation of shares forfeiture account (amount originally paid-up) of Rs.51,28,500/-, as detailed in the Scheme of Arrangement as detailed below:

BENEFITS OF THE SCHEME

The background and circumstances which justify the said arrangement are inter- alia as follows.

- Continues losses have substantially wiped off the value represented by the Share Capital thus the financial statements do not reflect the correct picture of the health of the Company.
- For ensuring that the financial statements of the Company reflects the real picture and the Capital which is lost is not continued to be shown on the face of balance sheet, it is necessary to carry out reduction of capital of the Company.
- Since writing off of losses has become inevitable for growth of the Company and its shareholders, the Company is now proposing to undertake a financial restructuring exercise whereby the Company would create a "Capital Restructuring Account" from its paid up Equity Share Capital.
- The reduction of Capital in the manner proposed would enable the Company to have a rational structure which is commensurate with its remaining business and assets.
- This Scheme of Arrangement is presented with a view to achieve Restructuring of the Company which would result in improvement in financial health as more business activities shall be brought into the Company thereby preventing it from becoming a sick Company.
- Hence, the proposed reduction will be for the benefit of the Company and its shareholder, creditors and all concerned as a whole.

SALIENT FEATURES OF THE SCHEME

- The Scheme provides for the reduction of equity share capital of Mercury Metals Limited pursuant to section 100 to 104 read with 391 and other relevant provisions of the Companies Act, 1956.
- The Scheme provides for the reconstruction of capital of Mercury Metals Limited pursuant to section 391 and other relevant provisions of the Companies Act, 1956.
- The Scheme also provides for various other matters consequential, supplemental and/or otherwise integrally connected herewith.

SECTION OF THE SCHEME

The Scheme of Arrangement is divided into the following parts:

- SECTION 1** which deals with the Definitions and Date of taking effect of the Scheme.
- SECTION 2** deals with financial restructuring and reconstruction of Mercury Metals Limited.
- SECTION 3** deals with Other Terms and Conditions.

SECTION 1**DEFINITIONS AND DATE OF TAKING EFFECT OF THE SCHEME****1. DEFINITIONS**

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1 "Accumulated Losses"** means and includes the total amount shown under the head "Profit and Loss Account" as appearing in the audited balance sheet of the Company as at 31st March, 2014.
- 1.2 "Act"** means the Companies Act, 1956, or as applicable, the Companies act, 2013 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.

- 1.3 **“Appointed Date”** means the Effective Date or such other date as may be fixed or approved by the Hon’ble High Court of Judicature at Gujarat.
- 1.4 **“Effective Date”** means the dates on which certified copies of the Orders of the High Court of Judicature at Gujarat or any other appropriate authority sanctioning the Scheme are filed with Registrar of Companies, Gujarat at Ahmedabad.
- 1.5 **“High Court”** means the High Court of Judicature at Gujarat having jurisdiction in the matter.
- 1.6 **“MML”** or **“the Company”** means Mercury Metals Limited, a Company incorporated under provisions of the Companies Act, 1956 and having Registered Office at 36, Advani Market, O/S Delhi Gate, Shahibaug, Ahmedabad -380 004, Gujarat. The Company is engaged in the business of trading of ferrous and Non-ferrous Metals.
- 1.7 **“Record Date”** (For Arrangement / Reduction of Capital / Reorganization) means the date to be fixed by the Board of Directors of the MML for the purpose of reckoning name of the Equity Shareholders, who shall be entitled to new share certificate, upon coming into effect, the financial restructuring (reduction of capital /arrangement), of this Scheme.
- 1.8 **“Scheme”** or **“the scheme”** or **“this scheme”** means this Scheme Of Arrangement In The Nature Of Reconstruction Of Capital Of Mercury Metals Limited in its present form submitted to High Court or any other appropriate authority or with any modification(s) made under Clause 11 of this Scheme.
- 1.9 **“Para”** means paragraph of this Scheme.
- 1.10 **“Public”** the terms public shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957.
- 1.11 **“The Board”** means the Board of Directors of Mercury Metals Ltd. and shall include a duly constituted committee thereof.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or any other appropriate authority shall be effective from the Appointed Date.

3. SHARE CAPITAL

The Authorized, Issued, Subscribed and Paid up Share Capital of MERCURY METALS LIMITED as per the latest audited Balance Sheet as at 31st March, 2014 is as under:-

Particulars	(Amount in Rs.)
Authorised Share Capital	
1,00,00,000 Equity Shares of Rs. 10/- each	10,00,00,000
Total	10,00,00,000
Issued & Subscribed Capital	
79,78,508 Equity Shares of Rs. 10/- each	7,97,85,080
Total	7,97,85,080
Paid-up Share Capital	
69,52,808 Equity shares of Rs.10/- each (10,25,700 partly paid-up equity shares forfeited)	6,95,28,080
Share Forfeiture Account (Amount Originally paid-up)	51,28,500
Total	7,46,56,580

Section 2

Financial Restructuring and Reconstruction of Arrangement of Mercury Metals Limited

4. Applicability of the Scheme of Arrangement for Reduction of Share Capital of Mercury Metals Limited:

The rationale for reduction of Capital is as under.

- 4.1. The Board of Directors of the Company has considered necessary to undertake a scheme of financial restructuring so as to show a true and fair view of the Balance Sheet and operate with a leaner base Balance Sheet.
- 4.2. The balance in Profit & Loss Account (debit) as at 31st March, 2014 was Rs.19,50,96,952.29 (Rupees Nineteen Crores Fifty Lacs Ninety Six Thousands Nine Hundreds Fifty Two and Twenty Nine Paise Only).
- 4.3. The Company is engaged in the business of trading of ferrous and non-ferrous metals. Due to volatility of the metal market, high interest cost, non-recovery of debtors, etc. the Company suffered huge losses.
- 4.4. All the efforts of the Company to diversify and expand its market base did not materialize.
- 4.5. The Company has been incurring continuous losses and the chances of recovery are remote. Hence it is prudent to write off part of the debit balance in Profit & Loss account to the extent of Rs.6,77,03,772/- by cancelling the capital which has lost or is unrepresented by available tangible assets, to the extent of Rs.9/- per share upon each of the 69,52,808 equity shares which have been issued by reducing the paid-up value of all the shares in the capital of the Company from Rs.10/- per share to Re.1/- per share and cancelling share forfeiture account (amount originally paid up) of Rs.51,28,500/-, in accordance with the provisions of Sections 100 to 104 and other applicable provisions of the Companies Act, 1956 (hereinafter referred to as “the act”). The resultant paid-up capital of the Company will be Rs.69,52,808/- divided into 69,52,808 equity shares of Re.1/- each fully paid-up.
- 4.6. The financial restructuring will help the Company to reflect better its operational efficiency, improvements in the future years and reflect the true share value. Further, there would be a positive impact on the various key financial ratios such as Net Profit Margin, Return on Capital Employed, and Return on Net worth etc.
- 4.7. The restructuring will also not cause any prejudice to the creditors of the Company. For stake of clarity, it is specified that the reduction in Share Capital does not involve either the diminution of any liability in respect of any unpaid capital or the payment to any shareholder of any paid-up capital nor is any call being waived. The creditors of the Company are in no way affected by the proposed restructuring by way of the

reduction of capital as there is no reduction in the amount payable to any of the creditors, no compromise or arrangement is contemplated with the creditors. There is no actual cash out flow. Further, the proposed adjustment would not in any way adversely affect the ordinary operations of the Company or the ability of the Company to honour its commitments or to pay its debts in the ordinary course of business.

5. This Scheme of the Arrangement is between Mercury Metals Limited and its shareholders, wherein;

- 5.1.** The Company shall reduce the existing Paid-Up Equity Share Capital FROM **Rs.7,46,56,580/-** (Rupees Seven Crores Forty Six Lacs Fifty Six Thousands Five Hundreds Eighty Only) divided into 69,52,808 Equity Shares of Rs. 10/- (Rupees Ten Only) each fully paid up and share forfeiture account of Rs.51,28,500/- TO **Rs.69,52,808/-** (Rupees Sixty Nine Lacs Fifty Two Thousands Eight Hundred Eight Only) divided into 69,52,808 Equity Shares of Re.1/- (Rupee One Only) each fully paid up and that such reduction be effected by reducing the paid up value of shares of the Company from Rs.10/- per share to Re.1/- per share, on 69,52,808 Equity Shares and cancellation of share forfeiture account of Rs.51,28,500/-, aggregating to 6,77,03,772/- in the existing paid up Equity Share Capital which is lost or un-represented by the available assets i.e. Debit balance in Profit & Loss Account.
- 5.2.** To effect such reduction in Issued, Subscribed and Paid-Up Equity Share Capital the shareholders of the Company on the record date will get 1 (One) equity shares of Re.1/- (rupee One Only) each fully paid-up against 1(One) equity shares of Rs.10/- (Rupees Ten Only) each fully paid up.
- 5.3. The Issued, Subscribed and Paid-up Share Capital, post reduction will be Rs.69,52,808/-** divided into 69,52,808 equity shares of Re.1/- each fully paid-up.

6. TREATMENT OF FRACTIONAL SHARES Capital reduction shall be effected by reducing the paid up value of shares of the Company from Rs.10/- per share to Re.1/- per share, on 69,52,808 Equity Shares and to effect such reduction in Issued, Subscribed and Paid-Up Equity Share Capital the shareholders of the Company on the record date will get 1 (One) equity shares of Re.1/- each fully paid-up against 1equity shares of Rs.10/- each fully paid up, therefore there will be no instance of issuance of fractional shares.

7. The pre reduction and post reduction Capital Structure of the Company is as under:

Particulars	Pre Reduction (Rs.)	Particulars	Post Reduction (Rs.)
Authorised Share Capital		Authorised Share Capital	
1,00,00,000 Equity Shares Of Rs. 10/- each	10,00,00,000	10,00,00,000 Equity Shares Of Re.1/- each	10,00,00,000
TOTAL	10,00,00,000	TOTAL	10,00,00,000
Issued and Subscribed Capital:		Issued, Subscribed and Paid-up Share Capital:	
79,78,508 Equity Share of Rs. 10/- Each	7,97,85,080	69,52,808 equity shares of Re.1/- each	69,52,808
TOTAL	7,97,85,080		
Paid-up Share Capital			
69,52,808 Equity shares of Rs.10/- each	6,95,28,080		
Share Forfeiture Account	51,28,500		
TOTAL	7,46,56,580	TOTAL	69,52,808

7.1. The pre reduction and post reduction share holding pattern is as under:

Category of Shareholder	Number of Shares (pre reduction) of Rs. 10/- each	Pre Reduction %	Number of Shares (post reduction) of Re.1/- each	Post Reduction %
Promoter And Promoter Group	2931308	42.16%	2931308	42.16%
Financial institutions/Bank	Nil	Nil	Nil	Nil
Bodies Corporate	344900	4.96%	344900	4.96%
Individual	3676600	52.88%	3676600	52.88%
Any Other (OCBs, NRI)	Nil	Nil	Nil	Nil
TOTAL	6952808	100%	6952808	100%

The Board of Directors, in consultation with the Stock Exchange where the shares of the Company are listed, will fix the record date.

There is no change in the pre and post reduction shareholding pattern of the Company.

8. FINANCIAL RESTRUCTURING AND ACCOUNTING TREATMENT

8.1 CREATION AND UTILISATION OF CAPITAL RESTRUCTURING ACCOUNT

Pursuant to this Arrangement in this scheme, the treatment in the books of accounts of the Company will be as follows:

Upon the coming into Effect of this Scheme and with effect from the Appointed Date:

- 8.1.1.** The Company shall reduce the existing Paid-Up Equity Share Capital FROM Rs.7,46,56,580/- (Rupees Seven Crores Forty Six Lacs Fifty Six Thousands Five Hundreds Eighty Only) divided into 69,52,808 Equity Shares of Rs. 10/- (Rupees Ten Only) each fully paid up and share forfeiture account of Rs.51,28,500/- TO Rs.69,52,808/- (Rupees Sixty Nine Lacs Fifty Two Thousands Eight Hundred Eight Only) divided into 69,52,808 Equity Shares of Re.1/- (Rupee One Only) each fully paid and upon such reduction of capital a sum, aggregating to Rs.6,77,03,772/-, be transferred to "Capital Restructuring Account".
- 8.1.2.** As referred in Para 5, specifically in Para 5.4 of the scheme, regarding reorganization of the Equity share Capital, the paid up Equity Share Capital of the Company, post reduction, will be Rs. 69,52,808/- divided into 69,52808 Equity Shares of Re.1/-(Rupee One Only) each.

- 8.1.3.** Part of the balance of Accumulated Losses of Rs.6,77,03,772/- as at 31st March, 2014, out of the total of Rs. 19,50,96,952.29 be transferred to "Capital Restructuring Account".
- 8.1.4.** To the extent of the amount transferred to the Capital Restructuring Account under this Para 8.1.1 above, there shall be reduction of share capital of the Company, which shall be effected as an integral part of the Scheme in accordance with the provision of Section 100 to 104 and other applicable provisions of the Act, without involving either diminution of liability in respect of the unpaid share capital or payment to any shareholder of paid up share capital and without having to follow process under Section 100 to 104 of the Act, separately. However, the Order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 and other applicable provision of the Act.
- 8.1.5.** The Company shall comply with all the Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013 or any amendment thereof.
- 8.1.6.** Notwithstanding the reduction as mentioned above, the Company shall not be required to add "and reduction" as suffix to its name and the Company shall continue with its existing name.

Section 3 OTHER TERMS AND CONDITIONS

9. BONUS/RIGHT SHARES

After filling the Scheme and up to the Effective Date, the Company shall not issue or allot any shares or other financial instrument by the way of bonus shares, right shares or otherwise.

10. APPLICACION TO THE HIGH COURT

The Company shall, with all reasonable dispatch make applications to the High Court of Judicature at Gujarat, under whose jurisdiction the registered offices of the Company is situated, for sanctioning this Scheme under Sections 391 to 394 read with Section 100 to 104 of the Companies Act. 1956.

11. MODIFICATION/AMENDMENTS TO THE SCHEME

The Company through its Board of Directors may consent on behalf of all persons concerned to any modification or amendments of this Scheme or to any conditions which the Court and/or any other authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable for setting any question or doubt or difficulty that may arise for carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme into effect.

For the purpose of giving effect to this Scheme or to any modifications thereof, the Directors of the Company are authorized to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

12. CONDITIONALITY OF THE SCHEME

The Scheme is and shall be conditional upon and subject to:

- 12.1** The consent, approval, sanction, etc., under any law, of the Central Government, or Stock Exchanges or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters provided for in, or relating to, the Scheme for which such consent, approval, sanction, etc., is required;
- 12.2** The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Company.
- 12.3** The requisite resolutions under the applicable provisions of the said Act being passed by shareholders of the Company for any of the matter provided for or relating to the Scheme as may be necessary or desirable.
- 12.4** The sanctions of the High Court under Sections 391 to 394 read alongwith sections 100 to 104 of the said Act in favour of the Company being obtained.
- 12.5** Certified or authenticated copies of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Gujarat, at Ahmedabad by the Company.

13. EFFECT OF NON RECEIPT OF APPROVALS / SANCTIONS

In the event of any of the said sanctions and approvals not being obtained and / or the Scheme not being sanctioned by the High Court or such other competent authority by **31st December, 2015** or within such further period or periods as may be agreed upon by Boards of Directors of the Company (and which the Boards of Directors of the Company are hereby empowered and authorized to agree to and to extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and will be null and void, save and except in respect of any act or deed done prior thereto as it contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

14. COST, CHARGES AND EXPENSES

All costs, charges and expenses of in relation to or in connection with the Scheme and of carrying out and completing the terms and provisions of the Scheme and / or incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by the Company only.

Place : Ahmedabad
Date : 09/01/2015
Registered Office:
36, Advani Market,
O/S Delhi Gate, Shahibaug Road,
Ahmedabad- 380004, Gujarat

By Order of the Board

GOVINDRAM L. KABRA
Executive Director
(DIN: 00006621)

MERCURY METALS LIMITED

Regd. Office : 36, Advani Market, O/s Delhi Gate, Shahibaug Road, 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

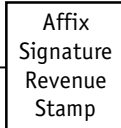
district of _____ or failing him/her Mr./Mrs. _____ of

_____ in the district of _____

 as my/our Proxy to vote for me/our behalf at the at the Extraordinary General Meeting of the Company to be held on Saturday, 14th February, 2015, at 12:30 P.M at registered office of the Company at 36, Advani Market O/S Delhi Gate, Shahibaug Road, Ahmedabad-380004, Gujarat

Signed the _____ day of _____ 2015

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 Road, Ahmedabad-380004

ATTENDANCE SLIP

Full name of the Member attending : _____

Name of Proxy : _____

 I hereby record my presence at the Extraordinary General Meeting of the Company to be held on Saturday, 14th February, 2015, at 12:30 P.M at registered office of the Company at 36, Advani Market O/S Delhi Gate, Shahibaug Road, Ahmedabad-380004, Gujarat.

Regd. Folio No. _____

DP Id* _____

Client Id* _____

No. of Share held _____

 Member's/Proxy's Signature
 (To be signed at the time of handling 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.

If undelivered
Please return to :



MERCURY METALS LIMITED

CIN: L27109GJ1986PLC008770
Regd. Office : 36, Advani Market, O/s Delhi Gate,
Shahibaug Road, Ahmedabad-380004