32nd
ANNUAL REPORT
2017-2018

MERCURY METALS LIMITED

KEY MANAGERIAL PERSONNEL & BOARD OF DIRECTORS

Govindram L. Kabra	Chairman &Whole time Director (DIN:00006621)
Radheshyam L. Kabra	Director (DIN: 00005997)
Mahendra G. Prajapati	Independent Director (DIN: 03270133)
Pankhil D. Desai	Independent Director (DIN: 02908540)
Bharti N. Bavishi	Independent Director (DIN:07188858)
Rasikbhai A. Rana	Chief Financial Officer

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

BANKERS
ICICI Bank Ltd.

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

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

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MERCURY METALS LIMITED
(CIN: L27109GJ1986PLC008770)

N O T I C E

NOTICE is hereby given that the **Thirty Second(32nd)** Annual General Meeting (AGM) of the Members of **Mercury Metals Limited** will be held on **Monday, 30thJuly, 2018** at 11.00 A.M. at the Registered Office of the Company at 36, Advani Market O/S Delhi Gate, Shahibaug, Ahmedabad-380004, Gujarat to transact the following business.

ORDINARY BUSINESS:

I. To receive, consider and adopt the Audited Balance Sheet as at 31stMarch, 2018,Statement of Profits & Loss and together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31stMarch, 2018 and Report of the Board of Directors and Auditors thereon.

II. To appoint a Director in place of Mr. Radheshyam L. Kabra (DIN: 00005997)**,** Director who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

Regd. Office:
36, Advani Market
O/S Delhi Gate,
Shahibaug
Ahmedabad-380004
Date : 28th May,2018
Place : Ahmedabad

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

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

NOTES

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

Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.

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

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

2. Members/Proxies/Authorized representatives should bring the duly filled Attendance Slip enclosed herewith along with their copy of the Annual Report to attend the Meeting.

3. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send aduly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.

4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will beentitled to vote.

5. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays during business hours up to the date of the Meeting.

6. Profile of the Directors seeking appointment / re-appointment, as required in terms of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is annexed to this Notice.

7. Members desirous of getting any information about the Accounts of the Company are requested to write to the Company at least seven days in advance of the Meeting, so that the information can be kept ready at the Meeting.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agent

i.e. MCS Share Transfer Agent Ltd., 12/1/5, Manoharpukur Road, Kolkata-700026.

9. Members holding shares in physical form are requested to consider converting their holding to dematerialised formto eliminate all risks associated with physical shares and for ease in portfolio management. Members can contactMCS Share Transfer Agent Ltd12/1/5, Manoharpukur Road, Kolkata-700026 for assistance in this regard.

10. The Annual Report of the year 2017-18 of the Company circulated to the Members of the Company will be made available on the Company's website at www.mercurymetals.in and also on the website of the respective Stock Exchanges at www.bseindia.com and the physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours and only on working days.

Members who have not registered their e-mail addresses so far as requested to receive all communication including Annual Report, Notices, Circulars etc. from the Company electronically, may also registered their e-mail addresses.

11. Equity Shares of the Company are available for dematerialisation, as the Company has entered into an agreement with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization services of its Equity Shares. Those Shareholders who wish to hold shares in electronic form may approach their Depository Participant. ISIN No. of the Company's Equity Share is INE763M01028.

12. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of members and share transfer books of the company will remain closed from Monday, 23rdJuly, 2018 to Monday, 30thJuly 2018 (both days inclusive).

13. Any recipient of the Notice, who has no voting rights as on the Cut-off date i.e23rd July, 2018 shall treat this Notice as intimation only.

- **VOTING THROUGH ELECTRONIC MEANS:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, along with Regulation 44 of Securities Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members' facility to exercise their right to vote at the 32ndAnnual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The members may cast their votes using an electronic voting system through remote e-voting services provided by National Securities Depository Limited (NSDL) from a place other than the venue of the Meeting.

i. The Members whose names appear in the Register of Members / List of Beneficial Owners maintained by the Depositories as on 23rdJuly, 2018(cut–off date) are entitled to vote on the resolutions set forth in this Notice.

ii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. 23rd, July, 2018shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Polling Paper at the AGM by following the procedure mentioned in this part.

iii. The e-voting facility is available at the link www.evoting.nsdl.com.

iv. The remote e-voting begins on 27thJuly,2018 (10:00 a.m.) and will end on Sunday29thJuly,2018 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 23rdJuly, 2018, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above.The e-voting module shall be disabled by NSDL for voting thereafter.

v. The Company has appointed Mr. Devesh Khandelwal, Proprietor of Khandelwal Devesh & Associates, Practising Company Secretary (Membership No. FCS: 6897; COP No: 4202), to act as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.

vi. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on the cut-off date i.e. 23rdJuly, 2018.

vii. Members can opt for only one mode of voting, i.e., either by physical poll or remote e-voting. In case Members cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast through physical poll will be treated as invalid.

viii. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

ix. Members who do not have access to remote e-voting facility have been additionally provided the facility of voting through Ballot paper.The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

x. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

THE PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER:-

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

a. Open the attached PDF file "e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (In case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.

b. Launch internet browser by typing the URL https://www.evoting.nsdl.com

c. Click on "Shareholder - Login".

d. Put User ID and password as initial password noted in step (a) above and Click Login.

e. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.

f. Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.

g. Select "EVEN(E-voting Event Number)" of MERCURY METALS LIMITED. For an EVEN, you can login any number of times on e-voting plat form of NSDL till you have voted on the resolution during the voting period.

h. Now you are ready for "e-Voting" as "Cast Vote" page opens.

i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted. Kindly note that vote once cast cannot be modified

j. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail metal. mercury@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:

i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (e-voting Event Number):

USER ID:

PASSWORD/PIN:

ii. Please follow all steps from Sl. No. (c) to Sl. No. (j) above, to cast vote.

iii. In case of any queries you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the "downloads" section of https://www.e-voting.nsdl.com or contact NSDL by email at evoting@nsdl.co.in

iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

v. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future Communication(s).

vi. The voting right of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd July, 2018.

vii. Any person who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of cut-off date i.e.23rd July, 2018 may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If your password, you can reset your password by using "Forgot user details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.:1800-222-990.

viii. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through poll paper.

ix. Mr. Devesh Khandelwal, Proprietor of M/s Khandelwal Devesh and Associates, Company Secretaries, has been appointed as the scrutinizers inter alia for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

x. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Poll Paper" for all those members who are the present at the AGM but have not cast their votes by availing the remote e-voting facility.

xi. The Scrutinizer shall after the conclusion of the voting at the general meeting, will first count the votes cast at the meeting and thereafter unlocked the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of conclusion of AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

xii. The result declared alongwith the report of the scrutinizer shall be placed on the website of the Company www.mercurymetals.in and on the website of NSDL immediately after the declaration of result by the chairman or a person authorised by him in writing. The results shall also be immediately forwarded to BSE Limited (BSE).

The Scrutinizer shall immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.mercurymetals.in and shall also be communicated to Stock Exchanges where the shares of the Company are listed in pursuant to Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE 32nd ANNUAL GENERAL MEETING

{Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015}

NAME	**Mr. RadheshyamL. Kabra**
DIN	00005997
Designation	Director
Date of Birth	15/03/1956
Date of Appointment	14/03/2017
Qualification and experience in specific functional area	B.com, LLB with more than 31 years of experience of administration
Directorship held in other companies*	2
Membership/ Chairmanships of Committee in other Public Companies	NIL
Shareholding of Non-executive Director	N.A
Relationships between Directors inter-se	N.A

***Pvt. Companies excluded**

Regd. Office:
36, Advani Market
O/S Delhi Gate, Shahibaug
Ahmedabad-380004
Date : 28th May,2018
Place : Ahmedabad

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

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

DIRECTOR'S REPORT

To,

THE MEMBERS,

Your Directors have pleasure in submitting their 32nd Annual Report of the Company together with the Audited Statements of Accounts of the Company for the year ended on 31st March, 2018.

1. FINANCIAL PERFORMANCE/HIGHLIGHTS:

During the year under review, the Company has incurred loss of Rs.**26.23 Lacs**. However, your Directors look forward to improve the financial position of the Company and are optimistic about the future growth and performance of the Company.

The summarized financial results of the Company for the period ended 31st March, 2018 are as follows:

(Amount in Lakhs.)

Particulars	**Year Ending 31st March, 2018**	**Year Ending 31st March, 2017**
Sales	68.03	14.98
Other Income	0.03	0
Total Income	68.06	14.98
Less: Expenditure	94.30	22.21
Profit/(loss)before Interest, Depreciation, Tax	(26.23)	(7.23)
Less: Interest	0	0
Less: Depreciation & Amortization Cost	0	0
Less: Extraordinary items	0	0
Profit/(loss)Before Tax	(26.23)	(7.23)
Less: Tax Expenses	0	0
Profit/(loss)after Tax	(26.23)	(7.23)

2. DIVIDEND

Since the Company has incurred loss duringthe year ended on 31st March, 2018, hence the Board has not recommended/declared dividend for the year 2017-18.

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

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

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

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

5. DEPOSITS

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

6. TRANSFER TO RESERVES

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

7. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANYOCCURREDBETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OFTHE REPORT

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

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

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

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

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

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

A. CONSERVATION OF ENERGY:

i. the steps taken or impact on conservation of energy**: Nil**

ii. the steps taken by the company for utilizing alternate sources of energy: **None**

iii. the capital investment on energy conservation equipments: **Nil**

B. TECHNOLOGY ABSORPTION:

i. the efforts made towards technology absorption: **None**

ii. the benefits derived like product improvement, cost reduction, product development or import substitution: **None**

iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

a) the details of technology imported: **None**

b) the year of import: **N.A**.

c) whether the technology been fully absorbed: **N.A**.

d) if not fully absorbed, areas where absorption has not taken place, and thereasons thereof: **N.A.**

iv. the expenditure incurred on Research and Development: **Nil**

C. FOREIGN EXCHANGE EARNING & OUTGO:

Foreign Exchange Earning: NIL

Foreign Exchange Outgo: NIL

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

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

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

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

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

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

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

14. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

i. Composition of Board;

Name of Directors	Designation	Category	No. of Board Meeting held	No. of Board Meeting attended
GOVINDRAM LALURAM KABRA	Chairman & Whole Time Director	Promoter Executive	8	8
RADHESHYAM LALURAM KABRA	Director	Promoter Non-Executive	8	6
PANKHIL DINESHBHAI DESAI	Director	Independent	8	7
MAHENDRA GANGARAM PRAJAPATI	Director	Independent	8	8
BHARTI NIMISH BAVISHI	Director	Independent	8	8

ii. DIRECTOR APPOINTMENT/CESSATION:

During the year, no director has been appointed, removed or resigned from the Board of Directors of the Company.

iii. RETIREMENT BY ROTATION

In accordance with the provisions of section 152[6] of the Act and in terms of Articles of Association of the Company, Mr. Radheshyam L. Kabra (DIN: 00005997)being liable to retire by rotation, shall retire at the ensuing Annual General Meeting and being eligible, offer himself for reappointment. The Board recommends his reappointment.

iv. KEY MANAGERIAL PERSONNEL

Mr. Govindram L. Kabra, Chairman cum Whole-time director and Mr. Rasikbhai A. Rana, Chief Financial Officer are the Key Managerial Personnel as per the provisions of the Companies Act, 2013 and rules made thereunder.

None of the Key Managerial Personnel has resigned orappointed during the year under review.

v. NUMBER OF BOARD MEETINGS

Regular meetings of the Board are held to discussand decide on various business policies, strategies,financial matters and other businesses.

During the year under review, the Board duly met Eight (8) times on 29/05/2017, 27/06/2017, 12/08/2017, 13/09/2017, 13/11/2017,14/12/2017, 14/02/2018and 08/03/2018in respect of said meetings proper notices were given and proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

vi. STATEMENT ON FORMAL ANNUAL EVALUATION OF BOARD

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

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

vii. DECLARATIONS BY INDEPENDENT DIRECTORS & THEIR SEPARATE MEETING

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

During the year under review the Independent Directors duly met pursuant to the provisions as specified in Schedule IV of the Companies Act, 2013 and the quorum was present throughout the meeting.

15. DIRECTORS RESPONSIBILITY STATEMENT

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

a) in the preparation of the annual financial statements for the year ended on 31st March, 2018, applicable accounting standards have been followed along with proper explanation relating to material departures, if any,

b) such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31stMarch,2018 and of the profit of the company for the year ended on that date,

c) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities,

d) the annual financial statements are prepared on a going concern basis

e) proper internal financial controls are in place and that the financial controls are adequate and are operating effectively and

f) the systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

16. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE:

Pursuant to the provisions of section 177(8) of the Companies Act, 2013, the Board hereby disclose the composition of the Audit Committee and other relevant matters as under:

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

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

During the financial year ended on 31st March 2018, the Audit Committee met Four times on 29/05/2018, 13/09/2017, 14/12/2017, and 14/02/2018.

17. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

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

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

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

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

18. NOMINATION AND REMUNERATION COMMITTEE

a) Composition of Nomination and Remuneration Committee:

As on the date of this report, the Committee comprises of the following members:

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

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

Meetings of Nomination and Remuneration Committee:

During the year, one meeting of the Committee was held on 29thMay, 2017.

19. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The StakeholdersRelationship Committee comprisesof the following members:

Sr. No.	Name of the Member	Designation	Category
1.	Shri Mahendra G. Prajapati	Chairman	Independent Director
2.	Shri PankhilDineshbhai Desai	Member	Independent Director
3.	Shri RadheshyamKabra	Member	Non-Executive Director

Details of Investor's grievances/ Complaints:

The Company has not received any complaints during the year. The pending complaints of the Shareholders/Investors registered with SEBI at the end of the current financial year ended on 31stMarch, 2018 are NIL.

There were no pending requests for share transfer/dematerialisation of shares as of 31st March 2018.

Compliance Officer:

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

Meetings of the Committee

The Committee duly met Tow (2) times on 10thApril, 2017, 20thMay, 2017

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

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

21. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

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

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

22. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

23. AUDITORS

i. STATUTORY AUDITORS

Members of the Company had approved the appointment of M/s. Ambalal Patel& Co., Chartered Accountants as the Statutory Auditors of the Company. In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.

There are no qualifications, reservations or adverse remarks made by M/s. AMBALAL PATEL & Co., Chartered Accountants, the Statutory Auditors of the Company, in their report. The observations made by the Statutory Auditors in their report for the financial period ended 31st March 2018 read with the explanatory notes therein are self explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

ii. SECRETARIAL AUDITOR

As per the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, our Company needs to obtain Secretarial Audit Report from Practicing Company Secretary and therefore, M/s Vishwas Sharma & Associates, Company Secretaries had been appointed to issue Secretarial Audit Report for the period ended on 31st March 2018.

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

- **Qualification for non-Appointment of Company Secretary**

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

- **Qualification for non compliance of hundred percent of shareholding of promoter(s) and promoter group in Dematerialized form.**

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

iii. COST AUDITORS

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

24. ANNUAL RETURN

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

25. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Report and marked as **Annexure-"D".** No employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

26. CORPORATE GOVERNANCE

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

27. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

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

28. FINANCIAL CALENDAR

The Company expects to announce the unaudited/audited quarterly results for the year 2018-19 as per the following schedule:

First quarter : 2nd week of August, 2018

Half-yearly results : 2nd week of November, 2018

Third quarter : 2nd Week of February, 2019

Yearly Results : By end of May, 2019

ACKNOWLEDGEMENTS

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

For and on behalf of the Board

Govindram L.Kabra
Chairman and Whole Time Director
(DIN: 00006621)

Date : 28/05/2018
Place : Ahmedabad

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

i) **Industry Structure and Development**

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

ii) **Opportunities and Threats**

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

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

iii) **Internal Control system and their adequacy**

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

iv) **Financial performance with respect to operational performance**

The financial performance of the Company for the year 2017-18 is described in the Directors Report.

v) **Segment wise Performance:**

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

vi) **Recent Trend and Future Outlook:**

The sector in which the Company has been operating is developing faster and provides ample growth opportunities.

Further due to rise in foreign direct investment in the sector, Company will be able to develop projects at fastpace and looking forward for better development and high investment returns.

vii) **Risk and Concerns**

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

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

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

ix) **Cautionary Statement:-**

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

For and on behalf of the Board
Govindram L. Kabra
Chairman and Whole Time Director
(DIN: 00006621)

Date : 28/06/20178
Place : Ahmedabad

Annexure-"A"

NOMINATION AND REMUNERATION POLICY

INTRODUCTION

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

CONSTITUTION OF COMMITTEE

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

OBJECTIVE

The key objectives of the Committee would be:

a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

b) Formulate the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees

c) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

d) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management

e) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

f) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage

g) To develop a succession plan for the Board and to regularly review the plan.

DEFINITIONS

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

"Board" means Board of Directors of the Company.

"Directors" mean Directors of the Company.

"Key Managerial Personnel" means

a) Chief Executive Officer or the Managing Director or the Manager;

b) Whole-time director;

c) Chief Financial Officer;

d) Company Secretary; and

e) such other officer as may be prescribed.

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

Policy for appointment and removal of Director, KMP and Senior Management

A. Appointment criteria and qualifications

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

II. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

III. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the

justification for extension of appointment beyond seventy years.

B. Term / Tenure

- **Managing Director/Whole-time Director:**

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

- **Independent Director:**

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

C. Evaluation

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

D. Removal

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

E. Retirement

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

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

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

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

i) Industry standards, if the data in this regard is available.

ii) The job description.

iii) Qualification and experience level of the candidate.

The remuneration payable to the Executive Directors, including the value of the perquisites, shall not exceed the permissible limits as are mentioned within the provisions of theCompanies Act, 2013. They shall not be

eligible for any sitting fees for attending any meetings.

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

DUTIES IN RELATION TO NOMINATION MATTERS

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

a) Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

c) Determining the appropriate size, diversity and composition of the Board;

d) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

e) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

f) Delegating any of its powers to one or more of its members or the Secretary of the Committee;

g) Recommend any necessary changes to the Board; and

DUTIES IN RELATION TO REMUNERATION MATTERS:

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

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

REVIEW AND AMENDMENTS:

i. The NRC or the Board may review the Policy as and when it deems necessary.

ii. The NRC may issue guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary.

iii. This Policy may be amended or substituted by the NRC or by the Board and as when required and also by the Compliance Officer where there is any statutory change necessitating the change in the policy.

Annexure-B

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended on 31st March, 2018

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

To,
The Members,
MERCURY METALS LIMITED,
Ahmedabad.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MERCURY METALS LIMITED (CIN: L27109GJ1986PLC008770)**(hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under and Companies Act, 1956 and Rules made there under to the extent applicable,

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;

(iv) ForeignExchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing. (***not applicable to the company during the audit period***)

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009***(not applicable to the company during the audit period)***.

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ***(not applicable to the company during the audit period)*** **;**

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ***(not applicable to the company during the audit period);***

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

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ***(not applicable to the company during the audit period);***

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ***(not applicable to the company during the audit period)***;

(vi) I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances of other specific applicable Acts, Laws and Regulations to the Company as mentioned hereunder;

a) Local taxes as applicable in the State of Gujarat.

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India;

ii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

(a) As per Section 203 of Companies Act, 2013 read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personal)Rules, 2014, the Company has not appointed Company Secretary during the audit period.

(b) As per the regulations of 31 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hundred percent of shareholding of promoter(s) and promoter group should be in Dematerialized form, however the process of dematerialization of hundred percent of shareholding of promoter(s) and promoter group has not been completed.

I further report that:

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

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

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

I further report that:

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

Howeverthere were no instances of:

(i) Public/Rights/Preferential issue of Shares/debentures/sweat equity.

(ii) Redemption/buy-back of securities.

(iii) Merger/ amalgamation etc. except the scheme of capital reconstruction as detailed hereinabove.

(iv) Foreign technical collaborations.

For, **Vishwas Sharma & Associates**
Company Secretaries

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

Place :- Ahmedabad
Date :- 28/05/2018

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

Annexure - 1 to Secretarial Audit Report

To,
The Members,
MERCURY METALS LIMITED,
Ahmedabad.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representations about the compliance of Laws, Rules and Regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **Vishwas Sharma & Associates**
Company Secretaries

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

Place :- Ahmedabad
Date :- 28/05/2018

"Annexure- C"
Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1.	CIN:	L27109GJ1986PLC008770
2.	Registration Date	04/07/1986
3.	Name Of The Company	MERCURY METALS LIMITED
4.	Category / Sub-Category Of the Company	Company Limited By Shares / Indian Non Government Company
5.	Address Of The Registered Office And Contact Details	36 Advani Market O/S Delhi Gate, Sahibaug, Ahmedabad-380004,Gujarat.
6.	Whether Listed Company	Yes
7.	Name, Address And Contact Details Of Registrar And Transfer Agent, If Any	MCS Share Transfer Agent Ltd. 12/1/5 Manoharpukur Road, Kolkata, West Bengal -700026. Contact:- 033 40724051/52 Email: mcssta@rediffmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities Contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Wholesale of metal and non-metal waste and scrap	46699	100 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. N	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of Shares held	Applicable Section
N.A.					

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

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (01/04/2017)				No. of Shares held at the end of the year (31/03/2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	73300	2858008	2931308	42.16	73300	2858008	2931308	42.16	Nil
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other Directors/Relatives	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	**73300**	**2858008**	**2931308**	**42.16**	**73300**	**2858008**	**2931308**	**42.16**	**Nil**
(2) Foreign									
a)NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any	-	-	-	-	-	-	-	-	-
Other. . .									
Sub-total (A)(2):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoter (A)=(A)(1)+(A(2)	**73300**	**2858008**	**2931308**	**42.16**	**73300**	**2858008**	**2931308**	**42.16**	**Nil**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Category of Shareholders	No. of Shares held at the beginning of the year (01/04/2017)				No. of Shares held at the end of the year (31/03/2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	1000	190100	191100	2.75	1000	340100	341100	4.91	2.16
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	291299	2450200	2741499	39.43	307099	2384700	2691799	38.71	(0.72)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	1079700	1079700	15.53	0	979700	979700	14.09	(1.44)
c) Others 1.Hindu Undivided Families	7001	2200	9201	0.13	6701	2200	8901	0.13	-
2.Non Resident Repatriates	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	**299300**	**3722200**	**4021500**	**57.84**	**314800**	**3706700**	**4021500**	**57.84**	**-**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**299300**	**3722200**	**4021500**	**57.84**	**314800**	**3706700**	**4021500**	**57.84**	**-**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**372600**	**6580208**	**6952808**	**100**	**388100**	**6564708**	**6952808**	**100**	**-**

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01/04/2017)			Share holding at the end of the year (31/03/2018)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Govindram Laluram Kabra	1671800	24.04	-	1671800	24.04	-	NIL
2.	Radheshyam L.Kabra	981908	14.12	-	981908	14.12	-	NIL
3.	Girijaben R.Kabra	145700	2.10	-	145700	2.10	-	NIL
4.	Gopal Motilal Kabra	42300	0.61	-	42300	0.61	-	NIL
5.	Kaushalya D. Lahoti	38100	0.55	-	38100	0.55	-	NIL
6.	Dinesh R. Lahoti	27200	0.39	-	27200	0.39	-	NIL
7.	Neha Ramprakash Kabra	24000	0.35	-	24000	0.35	-	NIL
8.	Kanchan G.Kabra	300	0.00	-	300	0.00	-	NIL
TOTAL		2931308	42.16	-	2931308	42.16	-	NIL

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

Sr. No.		Shareholding at the beginning of the year (01/04/2017)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	2931308	42.16	2931308	42.16
	Date/Quarter wise Increase/Decrease in Promoters Shareholding during the year	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
	At the end of the year	2931308	42.16	2931308	42.16

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

Sr. No.	For each of the Top 10 Shareholders	Reason	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	NARESH K. JHAWER					
	At the beginning of the year		469700	6.76	469700	6.76
	Date wise Increase/ Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		469700	6.76	469700	6.76
2.	YASSEN MD JAMALUDDIN MOSSAJI					
	At the beginning of the year		280000	4.03	280000	4.03
	Date wise Increase/ Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		280000	4.03	280000	4.03
3.	FAROOQ MD JAMALUDDIN MOSSAJ					
	At the beginning of the year		230000	3.31	230000	3.31
	Date wise Increase/ Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		230000	3.31	230000	3.31
4.	SOHANGIRI METALS & ALLOYS PVT. LTD.					
	At the beginning of the year		150000	2.16	150000	2.16
	Date wise Increase/ Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		150000	2.16	150000	2.16
5.	APOLLO METACHEM PRIVATE LIMITED					
	At the beginning of the year		118600	1.71	118600	1.71
	Date/Quarter wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		118600	1.71	118600	1.71

Sr. No.	For each of the Top 10 Shareholders	Reason	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
6.	HARISH DUDHANI					
	At the beginning of the year		100000	1.44	100000	1.44
	Date wise Increase/ Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		100000	1.44	100000	1.44
7.	SWETA NARESH JHAWER					
	At the beginning of the year		61400	0.88	61400	0.88
	Date wise Increase/ Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		61400	0.88	61400	0.88
8.	KRISHNAAWTAR KABRA					
	At the beginning of the year		36000	0.52	36000	0.52
	Date wise Increase/ Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		36000	0.52	36000	0.52
9.	SURESH R KAKHANI					
	At the beginning of the year		33000	0.47	33000	0.47
	Date wise Increase/ Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		33000	0.47	33000	0.47
10.	RANG UDHYOG INVESTMENTS LIMITED					
	At the beginning of the year		28200	0.41	28200	0.41
	Date wise Increase/ Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		28200	0.41	28200	0.41

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

Sr No.	Shareholding of each Directors and each Key Managerial Personnel	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Govindram Laluram Kabra					
	At the beginning of the year		1671800	24.04	1671800	24.04
	Date/Quarter wise Increase / Decrease in Promoters Share holding during the	No changes during the year				
	At the end of the year		1671800	24.04	1671800	24.04
2.	Mr. Radheshyam L. Kabra					
	At the beginning of the year	-	981908	14.12	981908	14.12
	Date/Quarter wise Increase / Decrease in Promoters Share holding during the	-				
	At the end of the year	-	981908	14.12	981908	14.12
3.	Mr. Pankhil Dineshbhai Desai					
	At the beginning of the year	-	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Share holding during the year	-	-	-	-	-
	At the end of the year	-	Nil	Nil	Nil	Nil
4.	Mr. Mahendra Gangaram Prajapati					
	At the beginning of the year	-	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Share holding during the year					
	At the end of the year	-	Nil	Nil	Nil	Nil
5.	Mr. Bharti Nimish Bavishi					
	At the beginning of the year	-	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Share holding during the year	-	-	-	-	-
	At the end of the year	-	Nil	Nil	Nil	Nil
6.	Mr. Rasikbhai Ambalal Rana					
	At the beginning of the year	-	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Share holding during the year	-	-	-	-	-
	At the end of the year	-	Nil	Nil	Nil	Nil

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. Govindram Laluram Kabra (Whole Time Director)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	120000/-	120000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify…	-	-
5	Others, please specify	-	-
	Total (A)	120000/-	120000/-

B. Remuneration to other Directors:

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

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

SN	Particulars of Remuneration	Key Managerial Personnel	
		CFO	Total
		Mr. Rasiklal Rana	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,51,700	2,51,700
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission		
	- as % of profit	Nil	Nil
	others, specify…	Nil	Nil
5	Others, please specify	Nil	Nil
	Total	2,51,700	2,51,700

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT / COURT]	Appeal made, if any (give details)
A.COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B.DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C.OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

"ANNEXURE – D"

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of Sub Section 12 of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Requirements	Disclosure	
I.	The ratio of remuneration to each director to the median remuneration of the employees for the financial year	MD/WTD	0.88 times
		Other Director	N/A
II.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	MD/WTD	N/A
		Other Director	N/A
III.	The percentage increase in the median remuneration of employees in the financial year	No Increase	
IV.	The number of permanent employees on the rolls of the Company as on 31st March, 2018	2	
V.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Nil	
VI.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
MERCURY METALS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of M/s. MERCURY METALS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2018 the Statement of Profit & Loss for the year then ended (Including Other Comprehensive Income) the cash flow statement and the changes in equity for the year ended on that date annexed thereto, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

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

(a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2018;

(b) In the case of the Statement of Profit and Loss, of the Loss (including Other Comprehensive Income) for the year ended on that date;

(c) In the case of Cash flow statement, of the cash flows for the year ended on that date ;

(d) In the Case of Statement of Changes In Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c. The Balance Sheet, Statement of Profit and Loss and cash flow statement dealt with by this report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone financial statements, comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors as on 31st March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018, from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i There is no pending litigation that may have impact on its financial statements.

   ii The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii There is no amount to be transferred to Investors Eduction Protection Fund.

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

CA NIKUNJ PATALIA
Partner
M.No. 131220

Ahmedabad
28-05-2018

Annexure - A

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

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

(i) (a) The company does not own any fixed assets on its name, hence no records required to be maintained for the same.

(b) As there is no fixed assets, this clause does not applicable

(c) There is no immovable property held in the name of the company hence, relevant clause is not applicable.

(ii) As explained to us, physical verification of inventory has been conducted by the management at the end of the year in respect of inventory and there are no material discrepancies were noticed;

(iii) According to the information explanation given to us, company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013

(iv) In respect of loans, investments, guarantees, and security, Company has complied the provisions of section 185 and 186 of the Companies Act, 2013 .

(v) The Company has not accepted any deposites from public and hence the provision of section 73 and 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to Company.

(vi) In our opinion and according to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 for any products of the company.

(vii) (a) According to the information and explanation given to us and the books and records examined by us, there are no undisputed amounts payable in respect of Income-tax, VAT outstanding as at 31st March 2018 for a period exceeding six months from the date they became payable.

(b) On the basis of our examination of the documents and records, there is no disputed amount pending in respect of any statutory dues.

(viii) Based on our audit procedure and on the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to the bank during the year under review.

(ix) Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans under review.

(x) According to the information and explanation given to us and to the best of our knowledge and belief no fraud on or by the company, has been noticed or reported by the company during the year.

(xi) Based on our audit procedure and books examined by us, Company has paid managerial remuneration in accordance with the the provisions of section 197 read with Schedule V to the Companies Act.

(xii) Since the company is not Nidhi Company, relevant clause of CARO, 2016 is not applicable to the company.

(xiii) According to information and explanation given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the accounting standard 18.

(xiv) According to information and explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and so, company is not required to comply section 42 of the Companies Act, 2013.

(xv) According to information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and company has been complied the provisions of section 192 of Companies Act, 2013.

(xvi) According to information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

CA NIKUNJ PATALIA
Partner
M.No. 131220

Ahmedabad
28-05-2018

Annexure -B

INDEPENDENT AUDITORS' REPORT ON INTERNAL FINANCIAL CONTROL

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

1 We have audited the internal financial controls over financial reporting of Mercury Metals Limited as at 31 March 2018 in conjunction with our audit of the Balance Sheet, Statement of Profit & loss, Statement of Changes in Equity, Cash Flow statement & notes forming part of financial statement.

Management's Responsibility for Internal Financial Controls

2 Management is responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI')". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required by The Companies Act, 2013 ('the Act').

Auditor's Responsibility

3 Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4 Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the companies internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6 Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting .

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

7 In our opinion, Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the management of the company considering the essential components of internal control stated in the Guidance Note.

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

CA NIKUNJ PATALIA
Partner
M.No. 131220

Ahmedabad
28-05-2018

Balance Sheet as at 31/03/2018

(Amount in ₹)

Particulars	Note No.	31st March 2018	31st March 2017	01st April 2016
ASSETS				
(1) Non-current assets				
(a) Financial Assets				
(i) Investments	2	10,140	4,637,430	3,531,115
(2) Current assets				
(a) Inventories	3	-	2,304,620	1,758,160
(b) Financial Assets				
(i) Trade receivables	4	6,788,660	1,098,445	-
(ii) Cash and cash equivalents	5	582,550	315,312	169,108
(iii) Loans	6	183,198	28,962	29,755
(d) Other current assets	7	10,465,373	11,765,373	13,180,373
Total Assets		**18,029,922**	**20,150,142**	**18,668,511**
EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share capital	8	6,952,808	6,952,808	6,952,808
(b) Other Equity		7,612,815	11,864,473	11,481,039
(2) LIABILITIES				
Current liabilities				
(a) Financial Liabilities				
(i) Trade payables	9	3,130,644	1,078,917	-
(b) Other current liabilities	10	281,655	201,944	182,664
(c) Provisions	11	52,000	52,000	52,000
Total Equity and Liabilities		**18,029,922**	**20,150,142**	**18,668,511**

See accompanying notes to the financial statements

As per our report of even date.
For AMBALAL PATEL & CO.
CHARTERED ACCOUNTANTS
FIRM REG. NO. 100305W

CA NIKUNJ PATLIA
PARTNER
M.NO. 131220

Place : Ahmedabad
Date : 28/05/2018

For, and on behalf of the board of directors
MERCURY METALS LIMITED

1) Govindram L. Kabra **Whote-time Director** **DIN:00006621**

2) Radheshyam L. Kabra **Director** **DIN:00005997**

3) Rasikbhai A. Rana **(Chief Financial Officer)**

Statement of Profit and Loss for the year ended 31/03/2018

(Amount in ₹)

Particulars		Note No.	2017-18	2016-17
I.	**Revenue from operations**			
	Sale of Metals	12	5,753,102	1,498,338
	Sale of Shares		1,050,000	-
			6,803,102	**1,498,338**
II.	Other income	13	3,281	
III.	**Total Revenue (I + II)**		**6,806,383**	**1,498,338**
IV.	**Expenses**			
	Purchases of Stock-in-Trade	14	5,124,813	1,462,740
	Changes in inventories of Stock-in-Trade	15	2,304,620	(546,460)
	Employee benefits expense	16	532,618	544,321
	Other Expenses	17	1,467,450	760,618
	Total expenses		**9,429,501**	**2,221,219**
V.	**Profit / (Loss) before tax (III-IV)**		**(2,623,118)**	**(722,881)**
VI.	**Tax expense:**			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
	(3) Prior Period Tax Adjustment		-	-
			-	-
VII.	**Profit/(Loss) for the period (V-VI)**		**(2,623,118)**	**(722,881)**
VIII.	**Earnings per equity share:**			
	(1) Basic		(0.38)	(0.10)
	(2) Diluted		(0.38)	(0.10)
Significant Accounting Policies		1		

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

As per our report of even date.
For AMBALAL PATEL & CO.
CHARTERED ACCOUNTANTS
FIRM REG. NO. 100305W

CA NIKUNJ PATLIA
PARTNER
M.NO. 131220

Place : Ahmedabad
Date : 28/05/2018

For, and on behalf of the board of directors
MERCURY METALS LIMITED

1) Govindram L. Kabra	**Whote-time Director**	**DIN:00006621**
2) Radheshyam L. Kabra	**Director**	**DIN:00005997**
3) Rasikbhai A. Rana	**(Chief Financial Officer)**	

Statement of Changes in Equity for the period ended 31/03/2018

A. Equity Share Capital

Particulars	Numbers of shares	Rupees
As at April 1,2016	6,952,808	6,952,808
As at March 31,2017	6,952,808	6,952,808
As at March 31,2018	6,952,808	6,952,808

B. Other Equity

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (specify nature)	Retained Earnings								
For the Year 2016-17														
Balance at the beginning of the Previous year	39,858,180	109,841,000	(128,267,436)	21,431,744										
Changes in accounting policy or prior period errors	(10,483,070)	532,365	(9,950,705)											
Restated balance at the beginning of the Previous year	-	-	39,858,180	109,841,000	-	(138,750,506)	-	532,365	-	-	-	-	-	11,481,039
Total Comprehensive Income for the year	(722,881)	1,106,315	383,435											
Dividends	-													
Transfer to retained earnings	-													
Any other change (to be specified)	-													
Balance at the end of the Previous year	-	-	39,858,180	109,841,000	-	(139,473,387)	-	1,638,680	-	-	-	-	-	11,864,473
For the Year 2017-18														
Balance at the beginning of the reporting period	39,858,180	109,841,000	(139,473,387)	1,638,680	11,864,473									
Changes in accounting policy or prior period errors	10,140	10,140												
Restated balance at the beginning of the reporting period	-	-	39,858,180	109,841,000	-	(139,463,247)	-	1,638,680	-	-	-	-	-	11,874,613
Total Comprehensive Income for the year	(2,623,118)	(1,638,680)	(4,261,798)											
Dividends	-													
Transfer to retained earnings	-													
Any other change (to be specified)	-													
Balance at the end of the reporting period	-	-	39,858,180	109,841,000	-	(142,086,365)	-	-	-	-	-	-	-	7,612,815

CASH FLOW STATEMENT for the year ended on 31st March 2018

(Amount in ₹)

PARTICULARS		2017-18		2016-17	
A.	**Cash inflow/(outflow) from the opearating activities**				
	Net profit before Tax and Extra ordinary item		(2,623,118)		(722,881)
	Adjustments for:				
	Dividend received	-			
	Loss on Sale of Investments	877,050			
	Excess provision w/off (Secured Loan)	-	877,050		-
	Operating Profit before working capital changes		**(1,746,068)**		**(722,881)**
	Adjustment for (Increase)/Decrease in Working Capital :				
	Inventories	2,304,620		(546,460)	
	Receivables	(5,690,215)		(1,098,445)	
	Loans & Advances	1,145,764		1,415,793	
	Current Liabilities & Provisions	2,131,438	(108,393)	1,098,197	869,085
	Net cash inflow/(outflow) from operating activities (A)		**(1,854,462)**		**146,204**
B.	**Cash inflow/(outflow) from investing activity**				
	Proceeds from Sale of Investments	2,121,700			
	Dividend Received	-		-	
	Net cash inflow/(outflow) from investing activity (B)		**2,121,700**		**-**
C.	**Cash inflow/(outflow)from financing activity**		**-**		**-**
	Net cash inflow/(outflow) from Fianancing activity (C)		**-**		**-**
	Net Cash changes in cash and cash equivalent (A+B+C)		**267,238**		**146,204**
	Cash & Cash Equivalent at the beginning of the Period		315,312		169,108
	Cash & Cash Equivalent at the end of the Period		582,550		315,312
	Net Increase in cash and cash equivalent		267,238		146,204

Note :

1. The Cash Flow Statement has been prepared under the Indirect Method as set out in Ind AS-7 on Cash Flow Statement.
2. Figures in bracket represent Outflow of cash.

As per our report of even date.
For AMBALAL PATEL & CO.
CHARTERED ACCOUNTANTS
FIRM REG. NO. 100305W

CA NIKUNJ PATLIA
PARTNER
M.NO. 131220

Place : Ahmedabad
Date : 28/05/2018

For, and on behalf of the board of directors
MERCURY METALS LIMITED

1) Govindram L. Kabra	**Whote-time Director**	**DIN:00006621**
2) Radheshyam L. Kabra	**Director**	**DIN:00005997**
3) Rasikbhai A. Rana	**(Chief Financial Officer)**	

Notes forming Part of accounts:

I. COMPANY OVERVIEW

MERCURY METALS Limited (referred to as "MML" or "the Company" hereinafter) was incorporated under the name and style of Mercury Metals Pvt.Ltd. on 4th July, 1986 under the Companies Act, 1956 and by virtue of Section 43A(IA) of the Act, the Company became deemed Public Limited Company with effect from 9th February, 1994. The company adopted fresh Articles of Association by passing a Special Resolution on 11th November, 1994 in Extra Ordinary General Meeting. The name of the Company was changed to Mercury Capital Limited by virtue of special resolution passed at the General Meeting held on 1st February, 1995. Consequent to the change of name, a fresh Certificate of Incorporation was issued by the Registrar of Companies, Gujarat on 17th February, 1995.

The Company was incorporated with main object to undertake business of dealing in metal and metal scraps. The Company has started trading since its inception in various type of ferrous and non-ferrous metals and metal scraps.

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. The company is also engaged in Shares securities Trading and held Inventory of Shares.

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

A) Basis of preparation and compliance with Ind AS

First Time Adoption Of Ind AS :-

The company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. These separate financial statements for the year ended 31st March, 2018 are the first the company has prepared under Ind AS.

For all periods upto and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards (Previous GAAP) as notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013.

Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the company has prepared financial statements which comply with Ind AS for year ended 31st March, 2018, together with the comparative information as at and for the year ended 31st March, 2017 and the opening Ind AS Balance Sheet as at 1st April, 2016, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in other equity (retained earnings or another appropriate category of equity). This note explains the adjustments made in restating its Previous GAAP financial statements, including the Balance Sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017.

(a) Mandatory Exceptions to retrospective application

The company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

1. Estimates:

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after accounting policies), unless there is an objective evidence that those estimates were in error.

Ind AS estimates as at 1 April, 2016 are consistent with the estimates as at same date made in conformity with previous GAAP. The group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

- Investments in equity instruments carried at FVTPL & FVTOCI.
- Impairment of financial assets based on expected credit loss model.

2. Classification and measurement of financial assets

As required under Ind AS 101, the classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

(b) Transition to Ind AS – Reconciliations

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from IGAAP to Ind AS.

The presentation requirements under IGAAP differs from Ind AS and hence the IGAAP information has been reclassified for ease of reconciliation with Ind AS. The reclassified IGAAP information is derived based on the audited financial statements of the Company for the year ended March 31, 2016 and March 31, 2017.

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

IA. Reconciliation of Equity as at 1st April, 2016 & 31st March,2017

IB. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2017

II. Adjustments to Statement of Cash Flows for the year ended 31st March, 2017

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

IA. Reconciliation of Equity between IND-AS and previous GAAP

Particulars	31 March 2017	01 April 2016
Shareholder's Equity as per previous GAAP	2,01,62,403	2,14,31,744
Adjustments :		
Changes in value of Inventory	5,46,460	(1,04,80,570)
Fair Valuation of Financial Assets & Liabilities	11,06,315	5,29,865
Changes in equity on 01st April 2016	(99,50,705)	
Shareholder's Equity as per Ind AS	1,18,64,473	1,14,81,039

* As required under Paragraph (10C) of Ind AS 101, the Company has reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind ASs.

IB. Reconciliation of Profit/(loss) after tax between IND-AS and previous GAAP

Particulars	Note	31 March 2017
Net Profit as per Previous GAAP		(12,69,341)
Add: Changes in valuation of Inventory	1	(5,46,460)
Net Profit for the period under Ind AS		(7,22,881)

II. Adjustments to Statement of Cash Flows for the year ended 31st March, 2017

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

Notes to the Reconciliations

1. **Equity Instruments measured at fair value:-**

I) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both

collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

II) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and los

(c) These financial statements are the Company's first financial statements, prepared in accordance with Ind AS and has been approved for issue by the Board of Directors on May 28, 2018.

B) Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except certain financial assets and liabilities, which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

Fair value measurement

The Company measures financial instruments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

C) Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional currency.

All financial information presented in Rupees has been rounded to the nearest rupees with two decimals.

III. SIGNIFICANT ACCOUNTING POLICIES

The Company has applied following accounting policies to all periods presented in the Ind AS Financial Statement.

a) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty.

Sales tax/ value added tax (VAT) and G.S.T is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue.

Revenue from sales is recognised when all significant risks and rewards of ownership of the commodity sold are transferred to the customer which generally coincides with delivery.

Dividend income is recognised when the right to receive payment is established. Interest income is recognised using effective rate of interest method.

b) Property, Plant and Equipment

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

c) Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability

I) **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

II) **Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

III) **Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

d) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

e) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f) Inventories

Inventories of shares & securities are valued at Fair Value.

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

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

g) Taxation

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

h) Employee benefit schemes

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Compensated absences:

Compensated absences accruing to employees and which can be carried to future periods but where there are restrictions on availment or encashment or where the availment or encashment is not expected to occur wholly in the next twelve months, the liability on account of the benefit is determined actuarially using the projected unit credit method

(ii) Post-employment benefits

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

i) Provision for liabilities and charges, Contingent liabilities and contingent assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS

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

j) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

k) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

l) Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts are recognized in the financial statements.

NOTE 2 INVESTMENT

PARTICULARS	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In `)	01/04/2016 Amount (In `)
Shares, Debentures or Bonds			
Quoted			
Investment In Equity shares of Associate Company			
1) 3,03,100 Shares Of Shree Metalloys Ltd. (Formerly Known As Mercury Finstock Co. Ltd)	0	4,637,430	3,531,115
Investment In Equity shares of other Companies			
2) Shares of Kush Industries Ltd (earlier known as Suzlon Fibres Ltd)	10,140	0	0
TOTAL	**10,140**	**4,637,430**	**3,531,115**

NOTE: 3 INVENTORIES

PARTICULARS	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In `)	01/04/2016 Amount (In `)
Others (Shares)	-	2,304,620	1,758,160
TOTAL	**-**	**2,304,620**	**1,758,160**

NOTE: 4 TRADE RECEIVABLES

PARTICULARS	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In `)	01/04/2016 Amount (In `)
Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good	-	-	-
Unsecured, considered doubtful	-	-	-
Total	**-**	**-**	
Trade receivables outstanding for a period less than six months from the date they are due for payment			
Unsecured, considered good	6,788,660	1,098,445	
	6,788,660	**1,098,445**	
Total	**6,788,660**	**1,098,445**	-

NOTE: 5 CASH & BANK BALANCES

PARTICULARS	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In `)	01/04/2016 Amount (In `)
a. Cash & Cash Equivalants			
i) Cash on hand	217,914	263,301	106,563
ii) Cash Equivalants			
Bank Balances	**364,636**	**52,011**	**62,545**
Total	**582,550**	**315,312**	**169,108**

NOTE: 6 LOANS

PARTICULARS	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In `)	01/04/2016 Amount (In `)
a. Others			
Unsecured, considered good			
Balance with Government Authorities	15,444	-	-
Advances to Staff	138,281	-	-
Security Deposits	27,690	27,690	27,690
Other Advances	1,783	1,272	2,065
Total	**183,198**	**28,962**	**29,755**

NOTE 7 OTHER CURRENT ASSETS

PARTICULARS	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In `)	01/04/2016 Amount (In `)
Advance to Supplier	10,465,373	11,765,373	13,180,373
Total	**10,465,373**	**11,765,373**	**13,180,373**

NOTE : 8 EQUITY SHARE CAPITAL

Particulars	31/03/2018		31/03/2017	
	Number	Amount (In ₹)	Number	Amount (In ₹)
Authorised				
Equity Shares of ₹ 1 each (PY ₹ 1 each)	100,000,000	100,000,000	100,000,000	100,000,000
Issued & Subscribed Capital				
Equity Shares of ₹ 1 each(PY ₹ 1 each) (Out Of Which 1726907 Are Issued As Bonus Shares)	7,978,508	7,978,508	7,978,508	7,978,508
Paid Up Share Capital				
Equity Shares of ₹ 1 each (PY ₹ 1 each) fully paid (Out Of Which 1726907 Are Issued As Bonus Shares)	6,952,808	6,952,808	6,952,808	6,952,808
Total	**6,952,808**	**6,952,808**	**6,952,808**	**6,952,808**

Particulars	Equity Shares			
	31/03/2018		31/03/2017	
	Number	Amount (In ₹)	Number	Amount (In ₹)
Shares outstanding at the beginning of the year	6,952,808	6,952,808	6,952,808	6,952,808
Less Capital reduction during the year				-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	6,952,808	6,952,808	6,952,808	6,952,808

Name of Equity Share Holders	No. of Shares		No. of Shares	
	31/03/2018		31/03/2017	
	Sum of Numbers	Sum of %	Sum of Numbers	Sum of %
Shri Govindram Laluram Kabra	1,671,800	24%	1,671,800	24%
SHRI RADHESHYAM LALURAM KABRA	981,908	14%	390,508	6%

NOTE: 9 TRADE PAYABLES

PARTICULARS	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In `)	01/04/2016 Amount (In `)
Due to Micro, Small & Medium Enterprises	-	-	
Due to Others	3,130,644	1,078,917	-
Total	**3,130,644**	**1,078,917**	**-**

NOTE : 10 OTHER CURRENT LIABILITIES

PARTICULARS	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In `)	01/04/2016 Amount (In `)
(a) Other payables			
Government Dues	90,298	9,530	9,903
Outstanding Expenses & Payables	191,357	192,414	172,761
Total	**281,655**	**201,944**	**182,664**

NOTE 11 PROVISIONS

PARTICULARS	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In `)	01/04/2016 Amount (In `)
(a) Others			
Provision for Taxation	52,000	52,000	52,000
Total	**52,000**	**52,000**	**52,000**

NOTE 12 REVENUE FROM OPERATION

Particulars	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In ₹)
Sale of Metals	5,753,102	1,498,338
Sale of Shares	1,050,000	-
Other operating revenues	-	-
Total	**6,803,102**	**1,498,338**

NOTE 13 OTHER INCOME

Particulars	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In ₹)
Interest Income	3,281	-
Sundry Balances w/off	-	-
Total	**3,281**	**-**

NOTE 14 PURCHASES OF STOCK-IN-TRADE

Particulars	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In ₹)
Purchase of Metals	5,124,813	1,462,740
TOTAL	**5,124,813**	**1,462,740**

NOTE 15 CHANGES IN INVENTORIES OF SHARES

Particulars	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In ₹)
Opening Stock	2,304,620	1,758,160
Less: Closing Stock	-	2,304,620
Total	**2,304,620**	**(546,460)**

NOTE 16 EMPLOYEE BENEFITS EXPENSE

Particulars	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In ₹)
(a) Salaries and incentives		
Managing Director Remuneration	120,000	120,000
Bonus Exp.	14,000	14,000
Salary Exps.	268,500	280,500
Allowances To Employees	130,118	129,821
Total	**532,618**	**544,321**

NOTE 17 OTHER EXPENSES

Particulars	31/03/2018 Amount (In ₹)	31/03/2017 Amount (In ₹)
Other Repair & Maintenance	5,090	7,245
Rates & taxes	7,703	7,702
Auditors remuneration	57,500	64,595
Listing & Custodian Fees	306,670	280,526
Professional & Consultancy	130,978	127,230
Loss on Sale of Investments	877,050	-
Misc. Expenditure	82,459	273,320
TOTAL	**1,467,450**	**760,618**

18 In compliance with the Indian accounting standard-12 relating to "Income taxes", as there is no timing difference arises, provision for deferred tax liability is not provided in book of accounts.

19 In the opinion of the board, the current assets, Loans & Advances are approximately of the value stated therein, if realized in the ordinary course of business. Balance of sundry creditors, sundry debtors and loans & advances are subject to confirmation & reconciliation. In the opinion of the Management book debts and advances are outstanding since long, however these are recoverable, hence no provision has been made for doubtful debt.

20 Inventories of shares are held in demate as well as physical certificate form. In respect of shares held as inventories by company, the same are stated at cost of acquisition. Company has not made provision for diminution in the value of shares held as inventories. Since in the opinion of the management, such decline is temporary phase and no provision would be necessary.

21 Capital Commitments

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

22 Contingent Liabilities

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

23 The company has reclassified its inventories held in shares of Suzlon Fibres Ltd (Demat) to Non-current invenstments.

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

Description	Current Year	Previous Year
Profit / (Loss) After Tax (₹)	(2,623,118)	(722,881)
Prior Period Tax Adjustment (₹)	-	-
Profit / (Loss) Attributable to Ordinary Share Holders (₹)	(2,623,118)	(722,881)
Weighted Average No. of Equity Shares	6,952,808	6,952,808
Basic & Diluted Earning Per Share (₹)*	(0.38)	(0.10)
Nominal Value of share (₹)	1.00	1.00

* The company has no dilutive instruments during the year ended 31/03/2018. As such Dilutive Earning Per share equals to Basic Earnings Per Share.

25 Auditor's Remuneration

Amount (in ₹)

	Current Year	Previous Year
Statutory Audit Fees	42,500	49,595
Total	**42,500**	**49,595**

26 Related party disclosure as required by Ind Accounting Standard -24 issued by the Institute of Chartered Accountants of India.

A) List Of Related parties & Relationships

a) Subsidiaries, Fellow Subsidiaries, and Associates

a) Subsidiaries : None

b) Fellow Subsidiary : None

c) Associates : None

b) Key Management Personnel :

1) Shree Govindram L. Kabra (Managing Director)

2) Shree Ramprakash L. Kabra

3) Shree Mahendra G. Prajapati.

4) Shree Bhupendrasingh Rajput

c) Relatives of Key Management Personnel : 1) Radheshyam L Kabra

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

B) Transaction with related parties

Amount (in ₹)

PARTICULARS	2017-18	2016-17
Remuneration paid to Govindram L. Kabra (Key Management Personnel)	120,000	120,000
Sale of Investment (Shares) to Radheshyam L Kabra	2,121,700	-
Sale of Inventories (Shares) to Radheshyam L Kabra	1,050,000	-

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

28 Segment Reporting

Primary Segment (Business Segment) Amount (in ₹)

Particulars	Business Segments		TOTAL
	Metal	Shares	
Segment Revenue	5,753,102	1,050,000	6,803,102
	(1,498,338)		(1,498,338)
Unallocable Revenue			-
			-
Profit / (Loss) Before Tax			(2,623,118)
			(722,881)
Tax Expenses			-
			-
Profit / (Loss) for the year			(2,623,118)
			(722,881)
Segment Assets	17,392,314	10,140	17,402,454
	17,501,248	2,304,620	19,805,868
Unallocated Assets			627,467
			344,274
Total Assets			18,029,922
			20,150,142
Segment Liabilities	3,130,644	(0)	3,130,644
	1,078,917	(0)	1,078,917
Unallocated Liabilities			14,899,278
			19,071,225
Total Liabilities			18,029,922
			20,150,142

i) TThe company has disclosed business segments as the primary segment. Segments have been identified taking into account the nature of the products, differential risks and returns, the organizational structure and internal reporting system. The company's operations predominantly relate to Trading of metals & shares.

ii) Company area of operations is within India only. And separate disclousre as per geographical segments is not required to be given.

iii) Figures in bracket in *italics* fonts are previous years figures.

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

30 Figures are rounded off to the nearest rupee.

Signatories to Note 1 to 30

As per our report of even date.
For AMBALAL PATEL & CO.
CHARTERED ACCOUNTANTS
FIRM REG. NO. 100305W

CA NIKUNJ PATLIA
PARTNER
M.NO. 131220

Place : Ahmedabad
Date : 28/05/2018

For, and on behalf of the board of directors
MERCURY METALS LIMITED

1) Govindram L. Kabra	**Whote-time Director**	**DIN:00006621**
2) Radheshyam L. Kabra	**Director**	**DIN:00005997**
3) Rasikbhai A. Rana	**(Chief Financial Officer)**	

Form No. MGT-11

PROXY FORM

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

CIN:	L27109GJ1986PLC008770
Name of the company:	**MERCURY METALS LIMITED**
Registered office:	36 ADVANI MARKET O/S DELHI GATE, SHAHIBAUG, AHMEDABAD-380004

Name of the member(s):	
Registered address:	
Email Id:	
Folio No./Client Id:	
DP ID:	

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

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	
2.	Name:	
	Address:	
	E-mail Id:	
	Signature:	
3.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

MERCURY METALS LIMITED

CIN:L27109GJ1986PLC008770

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

ATTENDANCE SLIP

Full name of the Member attending: _____

Name of Proxy: _____

I hereby record my presence at the Annual General Meeting being held on **Monday, 30th July, 2018** at **11.00 A.M.**at 36, Advani Market O/S Delhi Gate, Shahibaug, 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 dematerialized form.

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual general meeting of the company, to be held on the Monday, 30th day of July, 2018 at 11.00 A.M. at the registered office of the Company situated At 36, Advani Market O/S Delhi Gate, Shahibaug, Ahmedabad-380004, Gujarat, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

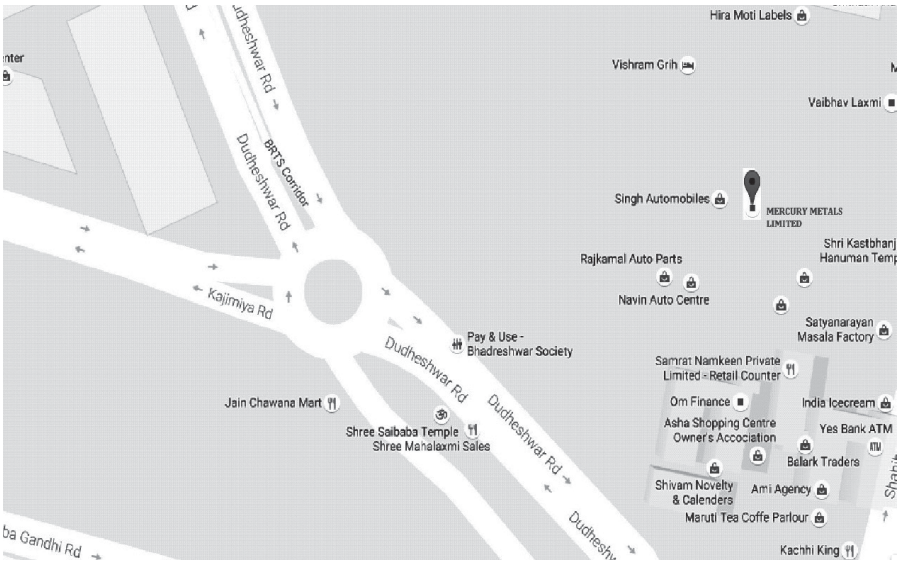
Resolution No.	Particulars
1.	To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018, Statement of Profits & Loss and together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2018 and Report of the Board of Directors and Auditors thereon.
2.	To appoint a Director in place of Mr. Radheshyam L. Kabra (DIN: 00005997), Directorwho retires by rotation at this meeting and being eligible, offers himself for re-appointment

Signed this…… day of…….. 2018.

Signature of shareholder _____

Signature of Proxy holder(s) _____

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



Mercury Metals Limited

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

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

If undelivered please return to :

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