



36TH ANNUAL REOPORT F.Y. 2021-22

MERCURY METALS LIMITED

CIN: L27109GJ1986PLC008770

REGD.OFFICE

367-368, GIDC, POR,
VILLAGE: POR, TALUKA: VADODARA,
VADODARA-391243, GUJARAT.



Index

Sr. No	Content	Page No.
1	About the Company	3
2	Notice	6
3	Director Report	19
4	Management Discussion And analysis Report	37
5	Secretarial Audit Report	45
6	Auditors' Report	49
7	Balance Sheet	58
8	Statement of Profit & Loss	60
9	Cash Flow Statement	62
10	Notes to the Financial Statements	64



ABOUT THE COMPANY

Our Company was originally incorporated as a "Mercury Metals Private Limited" on 4th July 1986 under the provisions of Companies Act, 1956 with Registrar of Companies, Gujarat, Dadra and Nagar Haveli (Certificate Regt. No: 04-8770). Subsequently on February 17, 1995 the name of The Company was changed from "Mercury Metals Private Limited" to "Mercury Capital Limited". Further, on 10th January 1997, the name of The Company was changed from "Mercury Capital Limited" to "Mercury Metals Limited" and a fresh Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Now the company bearing Corporate Identity Number is L27109GJ1986PLC008770.

The current promoters of the Company, pursuant to a Share Purchase Agreement entered into with the erstwhile promoters/ members of the promoter group for the acquisition of 34,61,208 Equity Shares representing 49.78% of the share capital of the Company and an open offer to the public shareholders under the SEBI (SAST) Regulations, 2011 acquired control of the Company.

Our Company further altered its Object Clause through Postal Ballot on May 30, 2022 to enable the Company to carry on the activities of Manufacturing Electric Vehicles, Spare Parts for Electric Vehicles.

The Company has started its Research and Development (R&D) Division for 3W, 4W and also for the 2W at Gujarat Industrial area at Plot No. 367-368, Por-Ramangamdi, Por GIDC, Vadodara, Gujarat having area of 45000 sq. ft. At this facility, the Company has started development of key component like Chassis of the 2 Wheeler and 3 Wheeler. The Company has received certificate from International Centre for Automotive Technology (ICAT) for 2W segment and also applied for World Manufacturer Identifier (WMI) which is likely to be confirmed by mid of July 2022 for all its upcoming vehicles.

Based on ICAT approval, the Company has received necessary assembly parts from China for 2 wheeler. The Company has formed in house assembly line for the 2 & 3 wheeler products where production of 2W has been started with brand name of "Thunderbolt EZ" and "Thunderbolt Smart". The Company has now introduced this models in market with 130 dealers network PAN India. The Company is targeting 500 dealer network PAN India within next 12 months period.

The Company has started manufacturing of Chassis for captive consumption as well as the Company has received inquiries for manufacturing of chassis for established companies like Hero, Lords Automotive Private Limited, Blix Electric Scooters, Joy Bikes etc. The company has planned to manufacture 5000 chassis per month. The company at advance stage to acquired 80% stake in one of the Company which is having ICAT approval for manufacturing of Motor Controller. The Company will start the documentation and production very shortly.

The company has appointed technical director on Board who was awarded by Hon'ble Prime Minister Shri NarendrabhaiModi for excellence in Electric Vintage Cars. He has invented 26/38/52 seater buses. He has already delivered 6 buses to ZydusCadial at Ahmedabad in 2019 which is running very well since it was delivered. The Company's intend to manufacture this bus for the off-road use for the multinational companies.

The Company has acquired 17 Acre land (750000sqft) on 29th June 2022, through its wholly owned subsidiary company namely EV NEST PRIVATE LIMITED, where the Company is intent to establish in-house facility of key components like Battery, Chassis, Motor Controller, Break Shoe, CED Paint etc.



The Company's vision is not only to manufacture electric vehicles but considering the market scenario and the demand & supply gap of 3W due to BS6 norms, the company will come up with BS6 and CNG variant of 3W (3seater and 6 seater) Auto Rickshaw and Loader. The Company has already submitted 4 vehicles with ICAT Authority for the approval purpose. The Company has signed the MOU with market leader "Greaves Cotton" for the supply of BS6 engines. The Company has planned to manufacture 3W with BS4 engine for the export to African Countries and Sri Lanka where the BS4 demand is at peak.

The company has ordered machinery for the manufacturing of batteries for 2 and 3 Wheeler products. Which will be used for captive consumption.

The company has also started research and development of 4 Wheeler loader vehicle, 4 Wheeler bus and customized cars at the existing Por GIDC location.

Thunderbolt:

The Company has planned to introduce its 2w segment vehicle under the brand of "Thunderbolt". This is the flagship EV of the Company. This Scooter is very attractive and has unique features. This scooter is low speed but provides the best riding experience to the rider.

**KEY MANAGERIAL PERSONNEL & BOARD OF DIRECTORS**

Govindram L. Kabra	Chairman Whole time Director (DIN: 00006621)(upto 02.03.2022)
Radheshyam L. Kabra	Director (DIN:00005997) (upto 02.03.2022)
Mahendra G. Prajapati	Independent Director (DIN: 03270133) (upto 02.03.2022)
Tagaram L.chowdhary	Independent Director (DIN:00483173) (upto 02.03.2022)
Bharti N. Bavishi	Independent Director (DIN:07188858) (upto 02.03.2022)
Rasikbhai A. Rana	Chief Financial Officer (Upto: 28/08/2021)
Radheshyam L. Kabra	Chief Financial Officer (From: 28/08/2021 to 02.03.2022)
Kavit J. Thakkar	Managing Director (w.e.f. 02.03.2022)
Jayesh R. Thakkar	Director (w.e.f. 02.03.2022)
Jayesh V. Chellani	Director (w.e.f. 02.03.2022)
Arvindbhai Thakkar	Director (w.e.f. 02.03.2022)
Dhruv D. Yardi	Chief Financial Officer (w.e.f. 02.03.2022)
Birva H. Patel	Company Secretary & Compliance Officer

AUDITORS:

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

BANKERS:

ICICI Bank Ltd.
Axis Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENT:

Accurate Securities & Registry Private Limited
203, Shangrila Arcade, Above Samsung Showroom,
Near Shyamal Cross Road, Satellite,
Ahmedabad – 380015, Gujarat
Contact:- +917948000319
Email: investor@accuratesecurities.com

REGISTERED OFFICE:

367-368, Gidc, Por, Village: Por,
Taluka: Vadodara,
Vadodara-391243, Gujarat
Tel. No.:+91- 9824500224
Email: info@mercurymetals.in

SCRUTINIZER:

M/s. Vishwas Sharma &Associates
Company Secretaries

INTERNAL AUDITOR:

Mr. Badrilal Pungalia & Co

SECRETARIAL AUDITOR:

M/s. Vishwas Sharma &Associates
Company Secretaries



NOTICE

NOTICE is hereby given that the **THIRTY SIXTH (36th)** Annual General Meeting (AGM) of the Members of **Mercury Metals Limited** will be held on **Saturday, 24th September, 2022** at 1.00 p.m. through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

- 1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED BALANCE SHEET AS AT 31ST MARCH, 2022, STATEMENT OF PROFITS & LOSS TOGETHER WITH CASH FLOW STATEMENT AND NOTES FORMING PART THERE TO ("FINANCIAL STATEMENT") FOR THE YEAR ENDED ON 31ST MARCH, 2022 AND REPORT OF THE BOARD OF DIRECTORS AND AUDITORS THEREON.**
- 2. TO APPOINT A DIRECTOR IN PLACE OF MR. KAVIT JAYESHBHAI THAKKAR (DIN: 06576294) DIRECTOR WHO RETIRES BY ROTATION AT THIS MEETING AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT.**
- 3. TO APPOINT M/S. M SAHU & CO., CHARTERED ACCOUNTANTS (FRN: 107352W) AS A STATUTORY AUDITOR FOR FINANCIAL YEAR 2022-23 TO FILL CASUAL VACANCY:**

To consider and if thought fit, to give your assent/dissent to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), as recommended by the Board of Directors of the company at their meeting held on July 25, 2022, consent of the members of the Company be and are hereby accorded to appoint M/s. M Sahu & Co, Chartered Accountants (FRN: 130001W) as Statutory Auditors of the Company for the Financial Year 2022-23 to fill the casual vacancy caused by the resignation of M/s. Ambalal Patel & Co., Chartered accountants (FRN: 100305W) and they shall hold office until the conclusion of the ensuing annual general meeting at the remuneration as determined by the Board.

"RESOLVED FURTHER THAT any of the Directors of the Company, be and are hereby authorized to sign and submit necessary e-Forms with Registrar of Companies, Ahmedabad and to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution."

- 4. TO APPOINT M/S. M SAHU & CO., AS A STATUTORY AUDITOR OF THE COMPANY :**

To consider and if thought fit, to give your assent/dissent to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under, as amended from time to time, M/s. M Sahu & Co, Chartered Accountants (FRN.: 130001W), be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of 36th Annual General Meeting (AGM) till the conclusion of the 41st Annual General Meeting of the Company to be held in the year 2027, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

"RESOLVED FURTHER THAT any of the director of the Company be and is hereby severally authorized to sign and submit necessary e-Forms with Registrar of Companies, Ahmedabad and to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution."

**SPECIAL BUSINESS:****5. TO REGULARISE MR. HARIT GOPALBHAI SHAH (DIN: 06975567) AS A DIRECTOR OF THE COMPANY:**

To consider and if thought fit, to give your assent/dissent to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152, 160 and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force), Mr. Harit Gopalbhai Shah (DIN: 06975567), who was appointed as an Additional Director of the Company with effect from 1st July, 2022 by the Board of Directors pursuant to Section 161 of the Act and as recommended by the Nomination and Remuneration Committee and who holds office upto the date of ensuing Annual General Meeting of the Company and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director under Non-Promoter, Executive Category of the Company whose period of office shall be liable to determination by retirement of directors by rotation."

RESOLVED FURTHER THAT any of the Director be and is hereby authorized on behalf of the Company to sign and submit necessary e-forms with the Registrar of Companies and to do all such acts, deeds, matters and things as may be necessary in this regard to give effect to the aforesaid resolution."

Registered Office

367-368, Gidc, Por, Village: Por,
Taluka: Vadodara,
Vadodara-391243, Gujarat

By order of Board of Directors

MERCURY METALS LIMITED

Place: Vadodara

Date: 9th August, 2022

Sd/-

Kavit Jayeshbhai Thakkar
Managing Director
DIN: 06576294

Sd/-

Harit Gopalbhai Shah
Director
DIN: 06975567

**NOTES:**

1. The Annual General Meeting (AGM) will be held on Saturday, 24th September, 2022 at 1.00 p.m. (IST) through Video Conferencing (VC)/other Audio-Visual Means (OAVM) in compliance with the applicable provisions.
2. In view of continuing outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No.17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and General Circular No. 02/2021 dated January 13, 2021 (collectively "**MCA Circulars**"), permitted companies to conduct Annual General Meeting (AGM) through video conferencing or other audio visual means (VC/OAVM) till December 31, 2021, subject to compliance with various conditions mentioned therein. Similarly, SEBI vide Circular No. 79 dated May 12, 2020 and Circular No. 11 dated January 15, 2021 granted certain relaxations pertaining to dispatch of hard copies of Annual Reports and Proxy Forms to listed entities who conduct their AGM through electronic mode till December 31, 2021. Further, MCA vide General Circular No. 02/2022 dated May 5, 2022 extended the option to conduct the AGM through VC till December 31, 2022. Similarly, SEBI vide Circular No. 62 dated May 13, 2022 extended the relaxations pertaining to dispatch of hard copies of Annual Reports and Proxy Forms to listed entities who conduct their AGM through electronic mode till December 31, 2022 subject to certain conditions. In compliance with the MCA Circulars, SEBI Circulars and applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 36th AGM of your Company is being convened and conducted through VC. Hence, members can attend and participate in the Annual General Meeting through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 19 and 20 and also available at the Company's website at www.mercurymetals.in
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021 and May 05, 2022, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the Annual General Meeting. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited ('CDSL') for facilitating voting through electronic means as the authorized E-Voting's agency. The facility of casting votes by a member using remote e-voting as well as venue voting system on the date of the Annual General Meeting will be provided by CDSL.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the Annual General Meeting through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the Annual General Meeting without restriction on account of first come first served basis. Instructions and other information for members for attending the AGM through VC/OAVM are given in this notice under Note No. 24.
5. The attendance of the Members attending the Annual General Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the Circular No. 14/2020 dated April 08, 2020 issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this Annual General Meeting. Accordingly, the facility for appointment of proxies by the members will not be available for the Annual General Meeting and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.



7. However, the Body Corporates are entitled to appoint authorized representatives to attend the Annual General Meeting through VC/OAVM and participate thereat and cast their votes through e-voting. Body Corporates whose authorized representatives are intending to attend the Meeting through VC/OAVM are requested to send mail to the Company at email id at info@mercurymetals.in, a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting and through E-Voting.
8. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated May12, 2020, the Notice of Annual General Meeting along with Annual Report for the Financial Year 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Pursuant to Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and in line with the MCA Circulars, the Notice calling AGM and Annual Report for the Financial Year 2021-22 has been uploaded on the website of the Company at www.mercurymetals.in. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the Notice of Annual General Meeting is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.
9. The Annual General Meeting has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with the Ministry of Corporate Affairs issued General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 08, 2021 and General Circular No. 03/2022 dated May 05, 2022.
10. In continuation of this Ministry of Corporate Affairs issued General Circular No. 03/2022 dated May 05, 2022 and after due examination, it has been decided to allow companies whose Annual General Meetings were due to be held in the year 2022, to conduct their Annual General Meetings on or before December 31, 2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 May 05, 2020.
11. The helpline number regarding any query / assistance for participation in the Annual General Meeting through VC/ OAVM is 1800225533.
12. The attendance of the Members attending the Annual General Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
13. Information regarding appointment/re-appointment of Directors and Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the ordinary and special business and/ or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 set out in the Notice is annexed hereto.
14. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of members and share transfer books of the Company will remain closed from Sunday, September 18, 2022 to Saturday, September 24, 2022 (both days inclusive) for the purpose of Annual General Meeting.
15. As the Annual General Meeting of the Company is held through VC/OAVM, we therefore request the members to submit questions, if any, at least 10 days advance but not later than September 18, 2022 relating to the business specified in this Notice of AGM on the email id at info@mercurymetals.in so as to enable the management to keep the information ready.
16. The Securities and Exchange Board of India (SEBI) has mandated the Submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or the Registrar and Share Transfer Agent.
17. Members are requested to intimate changes, if any. Pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates nominations,



power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,

a. **For shares held electronic form:** to their Depository Participants (DPs)

b. **For shares held in physical form:** to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021.

18. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transportation.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. It may be noted that any service request can be processed only after the folio is KYC Compliant.

19. As per the provisions of Section 72 of the Companies Act, 2013 and the SEBI Circular, the facility for making nomination is available for the Members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the Company/Registrar and Transfer Agent in case the shares are held in physical form.

20. Members are requested to notify any changes, in their address to the Company's Registrar & Share Transfer Agent, Accurate Securities & Registry Private Limited at 203, Shangrila Arcade, Above Samsung Showroom, Near Shyamal Cross Road, Satellite, Ahmedabad-380015, Gujarat. In case of joint holders, the Members whose name appears as the first holder in the order of name as per the Register of Members of the Company will be entitled to vote during the AGM.

21. Those Shareholders whose email ids are not registered can get their email id registered as follows:

a. Members holding shares in demat form can get their email id registered by contacting their respective Depository Participant.

b. Members holding shares in the physical form can get their email id by contacting our Registrar and Share Transfer Agent "Accurate Securities & Registry Pvt. Ltd." on their email id at info@accuratesecurities.com.

22. Members who wish to inspect the Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and Explanatory Statement on the date of AGM will be available for inspection in electronic mode can send an email to info@mercurymetals.in.

23. Since the Annual General Meeting will be held through VC / OAVM, the Route Map is not annexed in this Notice.

24. THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING ANNUAL GENERAL MEETING AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- The voting period begins on Wednesday, 21st September, 2022 at 09.00 a.m. to Friday, 23rd September, 2022 at 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 Saturday, 17th September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020