

Notice

(CIN : L63090MH1983PLC031418)

NOTICE is hereby given that the Thirtieth Annual General Meeting of the members of Mercator Limited will be held at Rangaswar Hall, 4th Floor, Y. B. Chavan Center, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400021; on Wednesday, September 24, 2014, at 3:30 p.m., to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the year ended on that date, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Share capital for the financial year ended March 31, 2014.
3. To appoint a Director in place of Mr. Atul Agarwal (DIN: 00007663), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, and to fix their remuneration; and in this regard, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. CNK & Associates LLP, Chartered Accountants, Mumbai, bearing Firm Registration No. 101961W, the retiring Statutory Auditors of the Company, be and are hereby re-appointed as the Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting, at a remuneration to be fixed by the Board of Directors / Audit Committee of the Company.”

Special Business:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, 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, and pursuant to the provisions of Clause 49 of the Listing Agreement, including any modification or amendment thereof, Mr. M. M. Agrawal (DIN: 00681433), a Director of the Company, liable to retire by rotation and whose term expires at this Annual General Meeting, and who has submitted the declaration that he meets the criteria for independence as provided in Section 149(6) of the Act; and in respect of whom the Company has

received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold the office for a term of 5 (Five) consecutive years commencing from September 24, 2014.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV 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, and pursuant to the provisions of Clause 49 of the Listing Agreement, including any modification or amendment thereof, Mr. Gunender Kapur (DIN: 06646490), who was appointed as an Additional Director on August 13, 2014 pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, and who holds office up to the date of this Annual General Meeting, and who has submitted the declaration that he meets the criteria for independence as provided in Section 149(6) of the Act; and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold the office for a term of 5 (Five) consecutive years commencing from September 24, 2014.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, 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, and pursuant to the provisions of Clause 49 of the Listing Agreement, including any modification or amendment thereof, Mr. Manohar Bidaye (DIN: 00010699), a Director of the Company, liable to retire by rotation, who has submitted the declaration that he meets the criteria for independence as provided in Section 149(6) of the Act; and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold the office for a term of 5 (Five) consecutive years commencing from September 24, 2014.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
- “RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, 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, and pursuant to the provisions of Clause 49 of the Listing Agreement, including any modification or amendment thereof, Mr. K. R. Bharat (DIN: 00584367), a Director of the Company, liable to retire by rotation, who has submitted the declaration that he meets the criteria for independence as provided in Section 149(6) of the Act; and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold the office for a term of 5 (Five) consecutive years commencing from September 24, 2014.”
9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
- “RESOLVED THAT** pursuant to the provisions of Sections 188 of the Companies Act, 2013 (“the Act”); Companies (Meetings of Board and its Powers) Rules, 2014, and other applicable statutory provisions, rules, regulations and guidelines (including any statutory modification(s), amendments, or re-enactment thereof for the time being in force), and subject to such approvals as may be required, approval of the members of the Company be and is hereby accorded for holding of office or place of profit /employment by Mr. Aayush Agarwal, son of Managing Director and one of the Promoters of the Company Mr. Atul Agarwal, in Mercator Energy Pte. Ltd., Singapore, a Subsidiary of the Company, with effect from October 1, 2014, on total remuneration exceeding ₹ 2,50,000/- per month; including but not limited to all basic, additional, fixed and variable remunerations, bonus, commission, incentives, allowances, benefits, perquisites, amenities and conveniences etc., as are more particularly specified in the relevant explanatory statement annexed to the notice of this meeting.
- RESOLVED FURTHER THAT** the Board of Directors of the Company, and/or Mercator Energy Pte. Ltd. be and are hereby severally authorised to review and determine from time to time, the term of holding of the said office or place of profit/employment of Mr. Aayush Agarwal, including his remuneration at its discretion, and to do all such necessary acts, deeds, matters and things as are required to be done in this regard.”
10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
- “RESOLVED THAT** pursuant to the provisions of Sections 42 and 71 of the Companies Act, 2013 (“the Act”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions of the Act and the Rules framed thereunder, and other applicable Guidelines and Regulations issued by the Securities and Exchange Board of India (“SEBI”), provisions of the Listing Agreement with the Stock Exchanges, or any other law for the time being in force (including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force) and subject to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded to authorise the Board of Directors of the Company (herein after referred to as “the Board” which term shall be deemed to include any committee thereof) to borrow from time to time, by way of issue, offer and allotment of securities, including but not limited to Secured/Unsecured redeemable Non-convertible Debentures (“NCDs”) and/or Commercial Paper (“CP”) as may be permissible to be issued under Private Placement basis, in one or more series/tranches, aggregating upto an amount not exceeding ₹ 500 crores (Rupees Five hundred crores only), issuable/redeemable at discount/par/premium, under one or more shelf disclosure documents, during a period of 1 (one) year from the date of this Annual General Meeting, on such terms and conditions, as the Board of the Company may, from time to time determine and consider proper and most beneficial to the Company including as to when the said NCDs and/or CP be issued, the consideration for the issue, utilisation of the issue proceeds and all matters connected with or incidental thereto.
- RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things, and execute all such deeds, documents, instruments and writings, and take all such steps as it may in its sole and absolute discretion deem necessary, proper or expedient in relation thereto.”
11. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
- “RESOLVED THAT** pursuant to provisions of Section 197, 198 and all other applicable provisions of the Companies Act, 2013 (“the Act”), and other applicable statutory provisions, Rules, Regulations, and Guidelines, provisions of the Listing Agreement with Stock Exchanges (including any statutory modification(s), amendments thereto, or re-enactment

thereof, for the time being in force), consent of the members of the Company be and is hereby accorded for payment by the Company to its Non-Executive Directors (other than the Managing Director(s) and Whole-time Director(s) of the Company); in addition to the sitting fees for attending meetings of the Board and its Committees; such commission as the Board of Directors may from time to time determine in such manner that the overall commission shall not exceed 1% of the net profits of the Company in any financial year computed in the manner provided under Section 198 of the Act to be distributed amongst them in such proportion as may be determined by the Board of Directors / Nomination and Remuneration Committee from time to time and in default of such determination equally.

RESOLVED FURTHER THAT the Board of Directors of the Company including Nomination and Remuneration Committee be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Notes

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“THE MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF; AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE FORM OF PROXY FOR THE ANNUAL GENERAL MEETING IS ENCLOSED. PROXY IN ORDER TO BE VALID MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN (10) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN (10) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. A relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business to be transacted at the Meeting is annexed hereto.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least 10 days in advance, so as to enable the Company to keep the information ready.

5. The Register of Members and Share Transfer Books will remain closed from Wednesday, September 17, 2014 to Wednesday, September 24, 2014 (both days inclusive), for determining the names of members eligible for dividend on Equity shares, if declared at the Annual General Meeting.
6. The Dividend for the financial year ended March 31, 2014, as recommended by the Board, if approved by the Members, will be paid / dispatched on September 30, 2014, to those Members whose names appear in the Register of Members of the Company as on the book closure dates.
7. Pursuant to Section 205A read with Section 205C of the Companies Act, 1956, the amount of dividend which remains unpaid / unclaimed for a period of seven (7) years is to be compulsorily transferred to the “Investor Education and Protection Fund (IEPF)”, constituted by the Central Government. Consequent to such transfer, Member(s) would not be able to claim any amount of dividend so transferred to IEPF in accordance with the aforesaid provisions. Member(s) who have not yet encashed their dividend is / are requested, in their own interest, to immediately write to the Registrar & Share Transfer Agent of the Company or to the Company, for claiming their outstanding dividend for the Financial Year 2006-07 (which is due for transfer to IEPF in December, 2014) and subsequent years. The dividend for the aforesaid years shall be paid only on receipt of request and satisfactory compliance of the requisite procedure.

The details of unpaid and unclaimed dividend lying with the Company as on September 19, 2013 (date of last Annual General Meeting) has been uploaded on Company’s website www.mercator.in in accordance with the requirements of relevant Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 and the same has also been uploaded on Ministry of Corporate Affairs website www.mca.gov.in

8. Members are requested to notify immediately any changes in their address to the Company/ Registrar & Transfer Agents. In case their shares are held in dematerialised form, the information should be passed on to their respective Depository Participants without any delay.
9. Members, who hold shares in de-materialised form are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the meeting.
10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

11. 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, during business hours up to the date of the Meeting.
12. The Registers / records under the Companies Act, 2013, which are required to be made available for inspection at the Annual General Meeting will be made available accordingly.

13. The relevant details of Director(s) seeking appointment/re-appointment at the Annual General Meeting as required under Clause 49 (IV) (G) (i) & (ia) of the Listing Agreement with the Stock Exchanges are as under:

Name of the Director	Mr. Atul Agarwal	Mr. M. M. Agrawal	Mr. Gunender Kapur	Mr. K. R. Bharat	Mr. Manohar Bidaye
Date of Birth	26/07/1958	04/08/1950	19/01/1961	23/06/1962	10/11/1963
Date of Appointment	01/08/1988	12/08/2011	13/08/2014	30/07/2007	26/05/1994
Qualifications	Fellow Member of Institute of Chartered Accountants of India	Bachelor of Engineering from Nagpur University	Bachelor in Mechanical Engineering & MBA	MBA from Indian Institute of Management	Master of Commerce (M.Com) from the University of Mumbai. Degree in Law (LLB - Gen.). He is also a Senior Member of The Institute of Company Secretaries of India.
Expertise in specific functional area	Finance, Accounts, Taxation & Administration	38 years of vast experience in Banking and Finance Industry.	Finance, Management & Administration	33 years vast experience in Capital Markets and various segments like Merchant Banking, Equities and Investment banking; Risk Management, research etc.	Corporate planning, strategy formulation, corporate laws and taxation, finance and other related areas
Directorship held in other Companies	<ol style="list-style-type: none"> Mercator Oil & Gas Limited Mercator Petroleum Limited Oorja Resources India Private Ltd. Mercator FPSO Private Limited AAAM Properties Private Ltd. Indian Register of Shipping Indian National Shipowners' Association Mercator Lines (Singapore) Ltd. Mercator Offshore (P) Pte. Limited Ivorene Oil Services (Nigeria) Limited 	<ol style="list-style-type: none"> Karuturi Global Limited Jaguar Overseas Limited Essar Power Limited Bombay Rayon Fashions Limited Bhoruka Cogen Power Private Limited Paragon Asset Reconstruction Private Limited. Srei Mutual Fund Asset Management Private Limited NSL Renewable Power Private Limited Hindustan Powerprojects Private Limited (Formerly Moser Baer Projects Private Limited) 	TPG Wholesale Pvt. Ltd.	<ol style="list-style-type: none"> Advent Advisory Services Private Ltd. BSR Advent Advisors Ltd. Vaitarna Marine Infrastructure Ltd. (Formerly Vaitarna Marine Infrastructure Pvt. Ltd) Advent Sports Management Private Limited Advent Brand House India Private Limited Shreyas Advisory Services Private Limited 	<ol style="list-style-type: none"> Zicom Electronic Security Systems Ltd. Progressive Equifin Private Ltd. Success Equifin Private Ltd. Baronet Properties & Investments Private Limited Coronet Properties & Investments Private Limited Chaitra Telenet Private Limited Zicom Saas Private Limited Chaitraban Farms Private Ltd.

Name of the Director	Mr. Atul Agarwal	Mr. M. M. Agrawal	Mr. Gunender Kapur	Mr. K. R. Bharat	Mr. Manohar Bidaye
Directorship held in other Companies	11. Vidya Varsha Inc. 12. Oorja Mozambique Minas Limitada 13. Broadtec Mozambique Minas Limitada 14. Oorja Indo KGS 15. Oorja Indo Petangis Three 16. Oorja Indo Petangis Four 17. Bima Gema Permata PT 18. Nuansa Sakti Kencana PT 19. PT Karya Putra Borneo 20. PT Indo Perkasa 21. North of England P&I Association Ltd. 22. Asmara Resources Private Ltd.	10. NSL Nagapatnam Power & Infratech Private Limited 11. Essar Power (Jharkhand) Limited 12. Vision Drilling Pte. Ltd.		8. Advent Capital Advisors Private Limited 9. Advent Business Advisory Services Private Limited	9. Unisafe Fire Protection Specialists India Private Limited 10. 2020 Imaging India Ltd. (formerly Zicom CNA Automation Limited) 11. Institute of Advanced Security Training and Management Private Limited 12. Unisafe Fire Protection Specialists LLC, Dubai. 13. Phoenix International WLL, Qatar 14. Unisafe Fire Protection Specialists Singapore Pte. Ltd. 15. Zicom Security Projects Ltd. Singapore
Membership/ Chairmanships of committees of other public companies (Includes only Audit Committee and Shareholders/ Investors Grievance Committee)	Nil	Jaguar Overseas Limited – Audit Committee Essar Power Limited – Audit Committee Karuturi Global Limited – Audit Committee	Nil	Nil	Zicom Electronic Security Systems Limited - Chairman of Shareholders/ Investor Grievance Committee and Member of Audit Committee 2020 Imaging India Limited (formerly Zicom CNA Automation Ltd) - Chairman of Shareholders/ Investor Grievance Committee
No. of shares held in the Company	54,60,966	Nil	Nil	Nil	97,500

No Director of the Company, including those mentioned above, is related to other Directors of the Company.

14. In terms of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and clause 35B of the listing agreement, the Company is providing facility to exercise votes on the items of business given in the notice through electronic voting system, to shareholders holding shares as on August 15, 2014 being the cut-off date (“Record date” for the purpose of Rule 20(3)(vii) of the said Rules) fixed for determining voting

rights of shareholders entitled to participate in the e-voting process through the e-voting platform provided by National Depository Services Limited (NSDL). The Company has appointed Mr. Sanjay Dholakia, Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

Procedure for voting through electronic mode:

In case a Member receives an e-mail from NSDL:

- a) Open the e-mail and also open PDF file namely “Mercator e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- b) Launch Internet browsing by typing the following URL <https://www.evoting.nsd.com>.
- c) Click on Shareholder — Login.
- d) Put User ID and password as initial password noted in step (a) above. Click login.
- e) Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or a combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f) Home page of ‘e-voting’ opens. Click on ‘e-voting’- Active Voting Cycles.
- g) Select “EVEN” of Mercator Limited.
- 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.
- j) Upon confirmation the message “Vote cast successfully” will be displayed.
- k) Vote once cast cannot be modified.

- l) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter etc., together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to sanjayrd65@yahoo.com, with a copy marked to evoting@nsdl.co.in.

In case of shareholders’ receiving Physical Annual Report. initial password is provided at the bottom of the separate form attached. Please follow all steps from Sl. No (b) to Sl. No (l) above, to cast vote.

If shareholder is already registered with NSDL for E-voting, then shareholder can use his existing user id and password for casting vote.

The voting period commences on Friday September 19, 2014 at 9.00 a.m. and ends on the close of day of Sunday, September 21, 2014 at 6.00 p.m. The e-voting module will be disabled for voting thereafter by NSDL.

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 www.evoting.nsd.com or call (022) 24994433.

The Scrutinizer within a period of not exceeding three (3) working days from the conclusion of the e-Voting period shall submit his Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company. The Results shall be declared on or after the 30th Annual General Meeting of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.mercator.in and website of NSDL www.nsd.com within two (2) days of passing of the resolutions at the 30th Annual General Meeting of the Company and communicated to the Stock Exchanges.

**By Order of the Board
For Mercator Limited**

**Amruta Sant
Company Secretary**

Regd. Office:

3rd Floor, Mittal Tower,
B-wing, Nariman Point,
Mumbai - 400021.

Dated: August 13, 2014

Statement Pursuant to Section 102(1) of the Companies Act, 2013 (“The Act”)

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item Nos. 5, 6, 7 and 8

Pursuant to provisions of Section 149 of the Companies Act, 2013 (“the Act”), the Company should have at least one third of its total number of Directors as Independent Directors on its Board. During his tenure, an Independent Director shall not be liable to retire by rotation. Further, in terms of Clause 49 of the Listing Agreement, if a Chairman is a Promoter or an Executive Director, not less than one half of the Board of a Company shall comprise of Independent Directors.

Mr. M. M. Agrawal, Non-Executive Independent Director is the Director liable to retire by rotation at the ensuing meeting. He joined the Board of the Company in August 2011.

Mr. Manohar Bidaye and Mr. K.R. Bharat are Non-Executive Independent Directors of the Company since May 1994 and July 2007 respectively.

Pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, the Board of Directors of the Company appointed Mr. Gunender Kapur as an Additional Director of the Company with effect from August 13, 2014, as an Independent Director. In terms of the provisions of Section 161(1) of the Act, Mr. Gunender Kapur would hold office up to the date of the ensuing Annual General Meeting.

In terms of Section 149 and other applicable provisions of the Act, Mr. M. M. Agrawal, Mr. Gunender Kapur, Mr. K.R. Bharat and Mr. Manohar Bidaye being eligible, are proposed to be appointed as an Independent Director, not liable to retire by rotation.

The Company has received notice in writing, from Members along with the deposit of ₹ 100,000/- each proposing the candidatures of Mr. M. M. Agrawal, Mr. Gunender Kapur, Mr. K.R. Bharat and Mr. Manohar Bidaye for the office of Independent Directors, to be appointed as such under the provisions of Section 149 of the Act. They will also be Independent Directors under Clause 49 of the Listing Agreement with the Stock Exchanges.

The Company has also received from each of the aforesaid Directors (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act; and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

The respective resolutions seeks approval of Members for the appointment of the aforesaid Directors as Independent Directors of the Company; as indicated therein; pursuant to Section 149 and other applicable provisions of the Act and the Rules made thereunder.

In the opinion of the Board of Directors, M. M. Agrawal, Mr. Gunender Kapur, Mr. K.R. Bharat and Mr. Manohar Bidaye fulfill the conditions for their appointment as Independent Directors, specified in the Act, Rules made thereunder and Clause 49 of the Listing Agreement; and each of them is independent of the Management.

A brief resume of each of Mr. M. M. Agrawal, Mr. Gunender Kapur, Mr. K.R. Bharat and Mr. Manohar Bidaye, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided elsewhere in the Notice.

A copy of the draft letter for the appointment of the aforesaid Directors as Independent Directors setting out the terms and conditions is available for inspection without any fee by the Members at the Company's Registered Office, on working days during the normal business hours, up to the date of the Meeting.

The Board considers that continued association of the aforesaid Directors would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

Mr. M. M. Agrawal, Mr. Gunender Kapur, Mr. K.R. Bharat and Mr. Manohar Bidaye are interested in the proposed resolution for their appointment as Independent Directors to the extent of the Fees, Commission, and other permitted payments and benefits which each of them may get in their capacity as an Independent Director of the Company. Except them, no other Director, Key Managerial Personnel or their relatives, are interested or concerned, financially or otherwise, in the resolutions set out at Item Nos. 5, 6, 7 & 8.

The Board recommends the resolutions set forth in Item Nos. 5, 6, 7 & 8 for approval of the Members.

Item No. 9

Mr. Aayush Agarwal was appointed as "Sr. Projects Engineer" in Mercator Energy Pte. Ltd., Singapore, a subsidiary of the Company (MEPL), with effect from July 2, 2014 on a total remuneration of SGD 5000/- equivalent of about ₹ 240,000/- as per prevailing exchange rate on that date. With his successful induction, now it is proposed to appoint him as "Dy. Project Manager" in MEPL with effect from October 1, 2014 on revised remuneration as detailed below, which would be in excess of ₹ 2,50,000/- per month. Further, his remuneration may be reviewed and revised from time to time by his employer as per its remuneration policy. Besides salary, his remuneration will also include all basic, additional, fixed and variable remunerations, bonus, commission, incentives, allowances, benefits, perquisites, amenities, and conveniences etc., as per rules of his employer.

Mr. Aayush Agarwal, aged 28 years is Mechanical Engineer from the prestigious BITS, Pilani-Dubai and Masters (M. Eng) in Mechanical Engineering from Cornell University, USA. On completing his studies, he joined Oilmax Energy Pvt. Ltd. in July 2010 and has been involved in reviewing and assessing viability of new projects, making proposals and bids and interacting with various stakeholders.

Mr. Aayush Agarwal is a related party within the definition of Section 2(76) of the Companies Act 2013 ("the Act"). Pursuant to the provisions of Section 188 of the Act, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, appointment of any related party to any office or place of profit in the Company, its subsidiary company or associate company at a monthly remuneration exceeding ₹ 2,50,000/- requires prior approval by way of special resolution of the Company. Hence; approval of members is sought for his appointment in and payment of remuneration to him by the subsidiary company as proposed in the resolution under this item of business.

The information as required in accordance with Rule 15 of Companies (Meetings of Board & its Powers) Rules, 2014, as well as pursuant to Sec. 102 of the Act is as under:

- (a) Name of the related party: Mr. Aayush Agarwal;
- (b) Name of the Director or Key Managerial Personnel who is related: Mr. Atul Agarwal, Managing Director;
- (c) Nature of relationship: Mr. Aayush Agarwal is Son of Mr. Atul Agarwal, Managing Director and one of the Promoters of the Company. Mr. Aayush Agarwal is himself holding 3,17,500 equity shares, and jointly with Mr. Atul Agarwal and other family members total 66,54,966 equity shares, constituting 2.72% of the paid-up equity share capital of the Company.
- (d) Nature, material terms, monetary value and particulars of the contract or arrangement:

Mr. Aayush Agarwal, was appointed as "Senior Project Engineer" with MEPL at an initial basic consolidated remuneration of SGD 5,000 per month, which is equivalent to ₹ 2,40,000/- per month, at an exchange rate of 1 SGD = ₹ 48/- approx. as on date of his appointment, i.e. July 2, 2014. With effect from October 1, 2014 it is proposed to appoint him as "Deputy Project Manager", with the MEPL at an remuneration of SGD 125,000/- per annum. He will be also entitled for basic, additional, fixed and variable remunerations, bonus, commission, incentives, allowances, benefits, perquisites,

amenities, and conveniences etc., as per rules of his employer. The terms of employment and remuneration of Mr. Aayush Agarwal may be varied from time to time by his employer MEPL based on the industry standards prevailing for similar position in Singapore, and based on his performance evaluation, and its own Remuneration Policy for similar position. The Board of Directors of the Company at its meeting held on August 13, 2014, has approved the aforesaid appointment and terms of Mr. Aayush Agarwal. The Audit Committee has also approved the same. No duration or period for his employment is fixed, however, termination and other terms shall be governed by his appointment letter and rules and HR policy of the employer viz. MEPL. Mr. Aayush Agarwal may be re-designated by his employer from time to time at its discretion.

- e) Any other information relevant or important for the members to take a decision on the proposed resolution: Please refer to his qualifications and experience as mentioned aforesaid under this item of business.

In respect of this resolution, Mr. Aayush Agarwal, who is beneficiary as the proposed appointee, being son of Mr. Atul Agarwal, both of them are related to each other. Since Mr. Atul Agarwal is one of the Promoter and also Managing Director of the Company, both of them are interested and concerned to the extent of the remuneration and benefits that Mr. Aayush Agarwal may get by holding the said office or place of profit/employment in the subsidiary Company upon appointment of Mr. Aayush Agarwal as proposed. Further, the Board of Directors of the Company in its meeting held on August 13, 2014 has approved issue of shares by MEPL to Mr. Atul Agarwal and/or any of his controlled entity upto 6% of its capital for a cash consideration.

Except the above, no other Director, Key Managerial Personnel or their relatives are anyway concerned or interested in the proposed special resolution.

The Board recommends the resolution set forth in Item No. 9 for approval of the Members.

Item No. 10

In order to augment long term resources inter alia, for financing capital expenditure and for general corporate purposes, the Company may offer or invite subscription for secured redeemable non-convertible debentures, or commercial papers in one or more series / tranches on private placement, issuable / redeemable at par.

Section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 inter alia deals with private placement of securities by a Company. Rule 14 (2) of the said Rule requires that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the Company shall obtain previous approval of its shareholders by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year, subject to the Company complying with other prescribed conditions.

Accordingly, consent of the members is sought for passing a Special Resolution as set out under this item of the Notice. This resolution enables the Board of Directors of the Company to offer or invite subscription for securities, including but not limited to non-convertible debentures and/or commercial paper, in one or more tranches as may be required by the Company, from time to time for a year from the conclusion of this Annual General Meeting, as

per the details specified in the said special resolution. The Board/its duly authorised Committee shall decide other terms and conditions for such fund raising.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed special resolution.

The Board recommends the resolution set forth in Item No. 10 for approval of the Members.

Item No. 11

It is proposed to pay remuneration by way of commission not exceeding 1% of the net profit of the Company commencing from FY 2014-15; to the Non-Executive (including Independent) Directors of the Company. The payment of commission shall be in addition to the sitting fees payable for attending the meetings of the Board of Directors/Committee, and reimbursement of expenses in relation thereto.

Section 197 of the Companies Act, 2013("the Act") permits payment of remuneration to the Non-Executive Directors who are neither in the Whole-time employment of the Company nor the Managing Director, by way of commission on the net profit of the Company for a financial year; computed in the manner referred to in Section 198 of the Act; after obtaining prior approval of shareholders. In case of a Company having a Managing Director or Whole-time Director, the commission amount shall not exceed 1% of the net profit of the Company.

Thus, approval of the members of the Company is being sought by way of special resolution proposed under this item. It is also proposed to authorise the Board of Directors to decide on the modality and quantum of distribution of the said commission amongst the eligible Non-Executive Directors based on their contribution to the Company and other terms and conditions in the matter.

All the Non-Whole-time Directors of the Company, who shall be entitled to share the commission, are interested in the proposed resolution. At present, Mr. Manohar Bidaye, Mr. K. R. Bharat, Mr. M. M. Agrawal and Mr. Gunender Kapur are the Non-Executive Independent Directors of the Company; and therefore they are concerned and interested in the proposed resolution to the extent they may get their share in the said commission. Save and except the Non-Whole-time Directors of the Company, none of the other Directors, Key Managerial Personnel of the Company, or their relatives are, in any way concerned or interested in the said resolution.

The Board recommends the Special Resolution set out at Item No. 11 of the Notice for approval of shareholders.

**By Order of the Board
For Mercator Limited**

Regd. Office:
3rd Floor, Mittal Tower,
B-wing, Nariman Point,
Mumbai - 400021.
Dated: August 13, 2014

**Amruta Sant
Company Secretary**



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:L63090MH1983PLC031418

Name of the Company: Mercator Limited

Registered Office: 3rd Floor, Mittal Tower, B-Wing, Nariman Point, Mumbai – 400021

Name of the Member(s):	
Registered Address :	
Email ID:	
Folio No/ Client ID:	
DP ID:	

I/We being the member(s) of _____, shares of Mercator Ltd., hereby appoint

- Name:.....
Address:.....
.....
Email ID:.....
Signature:....., or Failing him/her
- Name:.....
Address:.....
.....
Email ID:.....
Signature:....., or Failing him/her
- Name:.....
Address:.....
.....
Email ID:.....
Signature:....., or Failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirtieth Annual General Meeting of the company, to be held on Wednesday, September 24, 2014, at 3.30 p.m. at Rangaswar Hall, 4th Floor, Y. B. Chavan Center, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400021, and at any adjournment thereof in respect of such resolutions as are indicated below

Resolution No.	Resolution	Vote (Optional See Note 5)	
		For	Against
ORDINARY BUSINESS			
1.	Adoption of the Audited Balance Sheet as at March 31, 2014 and the Audited Statement of Profit and Loss of the Company for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.		
2.	Declaration of Dividend on Equity Shares for the Financial year ended 31st March, 2014.		
3.	Appointment of Mr. Atul Agarwal as Director, who retires by rotation and being eligible, offers himself for re-appointment.		
4.	Appointment of Statutory Auditors of the Company and authorize the Board of Directors of the Company to fix their remuneration.		
SPECIAL BUSINESS			
5	Appointment of Mr. M. M. Agrawal as an Independent Director.		
6.	Appointment of Mr. Gunender Kapur as an Independent Director.		
7.	Appointment of Mr. Manohar Bidaye as an Independent Director.		
8.	Appointment of Mr. K. R. Bharat as an Independent Director.		
9.	Appointment of Mr. Aayush Agarwal (Son of Managing Director Mr. Atul Agarwal) in employment with Mercator Energy Pte Ltd (Subsidiary of the Company).		
10.	Authorise Board of Directors to borrow through secured/unsecured redeemable non-convertible debentures/commercial papers, in one or more series / tranches, aggregating up to Rs. 500 crore on private placement basis.		
11.	Approval of payment of commission on annual net profits to the Non-executive Directors.		

Signed this _____ day of September 2014.

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix Revenue Stamp

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.
- A Proxy need not be a Member of the Company.
- For the Resolutions and Explanatory Statement, please refer to the Notice of the Thirtieth Annual General Meeting.
- Please refer note no. 1 to the Notice for relevant provisions relating to Proxy.
- It is optional to indicate your preference. Please put 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all of the Resolutions, your Proxy will be entitled to vote in the manner as he / she may deem appropriate.