

Ref: ML/SE/2019-20/76

November 13, 2019



To,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
Scrip Code: 526235

To,  
**National Stock Exchange of India Ltd.**  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex  
Bandra (E), Mumbai - 400 051.  
Scrip Code: **MERCATOR**

**Sub: Investor Presentation**

Dear Sir,

Please find enclosed herewith Investor Presentation of the Company for your information and record. Same is available on website of the Company i.e. [www.mercator.in](http://www.mercator.in)

Thanking You

Yours Faithfully,

For Mercator Limited

**Rajendra Kothari**  
**CFO & Compliance Officer**



Encl: as above



## EARNINGS PRESENTATION

### Q2 FY20

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As a result of the legal dispute in a step-down subsidiary, PT Karya Putra Borneo (KPB) (a material subsidiary in Indonesia), we have not been able to provide audited financial statements of KPB. On account of this, the Company had, for the time being, published unaudited consolidated financial statements for the year ended 31-March-2019 and quarter ended 30-June-2019. Since the legal dispute is still ongoing, the Company has now published the audited consolidated financial statements (with a disclaimer of opinion) for the year ended 31-March-2019 and limited reviewed financial statements for the quarter ended 30-June-2019 and 30-Sept-2019.



# Cautionary Statement and Disclaimer



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# Key Issues Update Q2 FY20



Key Issues	Update
<b>Resolution Plan (RP) with Lenders'</b>	Discussions with lenders of Mercator Limited on the proposed Resolution Plan (RP) for restructuring of our loans are in process.
<b>Oil &amp; Gas</b>	<p>a. The Company has been continuing its discussion with financial institution's and strategic investors for raising the requisite capex funding for CB9 block required for ramping up of the production to the peak level of ~6000 barrels/day.</p> <p>a. Mercator Petroleum Ltd., a subsidiary has 2 Oil Blocks. Production Sharing Contract(PSC) for the Block CB-ONN-2005/3 has been terminated by Ministry of Petroleum and Natural Gas vide their letter dated 24<sup>th</sup> October 2019 since there was no oil discovery in the said Block. However, PSC for the producing Block CB-ONN-2005/9 (CB9) remains in force</p>
<b>Shipping business</b>	The Company proposes to sell its FSO 'Prem Pride' and MR Tanker 'Prem Mala' for which approval of shareholders has been obtained and no objection from lenders is in process.
<b>Dredging business</b>	The Company is in the process of concluding monetization of its fleet of dredgers while focusing on asset light model for dredging contracts wherein the work can be accomplished by chartering dredgers. 2 of such contracts are already under execution presently;
<b>Sagar Samrat conversion Project</b>	In December-18 the company has initiated, binding arbitration against ONGC raising claims of \$ 173 Mn plus which includes claims for wrongful invocation of the Bank Guarantees.
<b>Status update of execution order against DCI</b>	An injunction order against Dredging Corporation of India (DCI) in the matter of execution/enforcement order was passed by Hon'ble Delhi High Court in April 2019 followed by directions in the last hearing held on October 31, 2019 to DCI to deposit the entire award amount along with up to date interest with the Court within 6 weeks. Matter is listed for next hearing on January 23, 2020.
<b>Status of Dispute in Stepdown Subsidiary in Indonesia</b>	Dispute raised by an erstwhile minority shareholder in one of the stepdown subsidiary in Indonesia continues . The Company is taking all legal steps to protect its rights and interests.
<b>Legal Claims &amp; receivables</b>	<p>Total claims of Rs. 1,440 crores receivable by the Company (at the consolidated level) are summarized below:</p> <p>a) DCI Batch Arbitration Matters: Rs.48 crores (excluding interest) In the process of getting an execution order from Hon'ble Delhi High Court; Hearings are taking place;</p> <p>b) Total loss claim for Dredger Veera Prem: Rs. 124 crores (US\$ 17.78 Mn) The Company is in the process of filing a claim;</p> <p>c) Insurance claim for Vessel 'Divya Prem': Rs. 54 crores (excluding interest), the matter is under hearing in National Commission;</p> <p>d) Sagar Samrat Arbitration Matter : Rs. 1,214 crores (US\$ 173.36 Mn); Binding Arbitration commenced in Dec-18 raising claims against ONGC; likely to conclude by Sep 2020 and award expected in Jan 2021.</p>

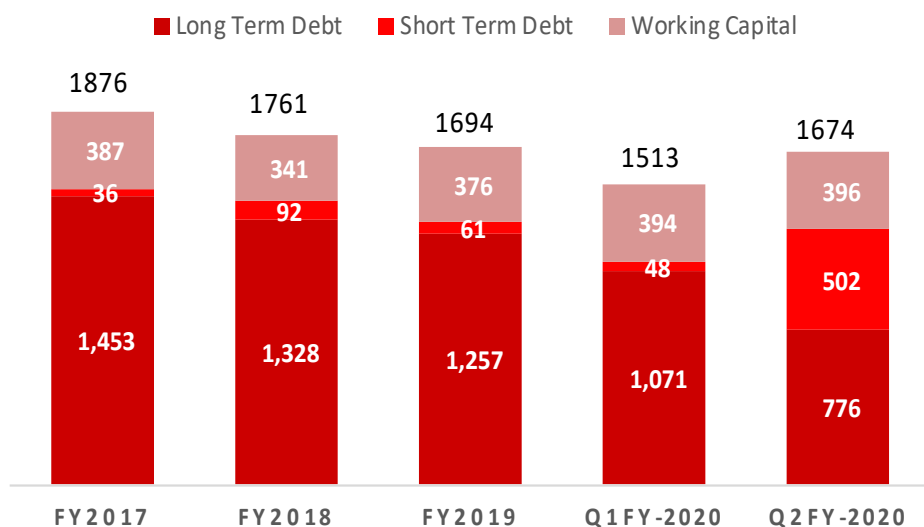
# De-Leveraging Status and Debt Maturity Profile – Q2 & H1 FY2020

## De-Leveraging Status

## Highlights

All figures in INR crore

### DE-LEVERAGING STATUS



- Invocation of Bank Guarantees by a customer for INR 142 crores in Mercator Oil and Gas Limited, a 100% subsidiary has resulted into increase in consolidated debt by an equivalent amount in Q2 FY20
- Loan of INR 130 crores was recalled and loan of US\$22 mn was recalled & crystalized into Rupee Loan by the lender(s). This has resulted in change of classification of such loans from Long Term Debt to Short Term Debt. Accordingly, Penal Interest of Rs.47 crores on such loans has been accounted in Q2 FY20

# Q2 FY20: Consolidated Operating Performance

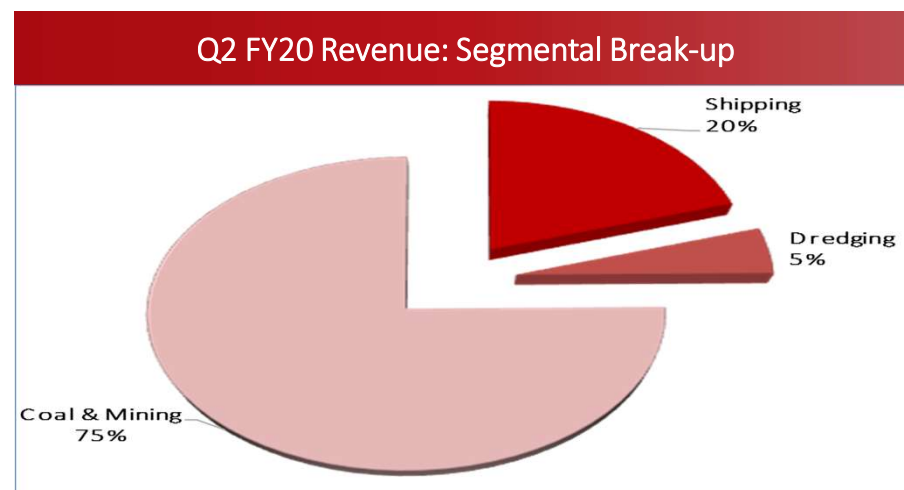


Rs in crores

Unaudited - Consolidated	Q2FY20	Q2FY19	Q1FY20	FY19
<b>Operating Income</b>	154	214	146	866
Other Income	1	2	1	10
Credit balances written back	-	-	-	157
<b>Total Income</b>	<b>155</b>	<b>216</b>	<b>147</b>	<b>1033</b>
Expenses	143	146	123	810
Provision for doubtful debts & advances	13	-	-	220
<b>EBIDTA</b>	<b>-1</b>	<b>70</b>	<b>24</b>	<b>3</b>
<b>Margin</b>	<b>-1%</b>	<b>32%</b>	<b>16%</b>	<b>0%</b>
<b>Adjusted EBIDTA</b>	<b>12</b>	<b>70</b>	<b>24</b>	<b>163</b>
<b>Margin</b>	<b>8%</b>	<b>32%</b>	<b>16%</b>	<b>16%</b>
Reported PAT	-336	-33	-257	-836
Adjusted PAT (After Exceptional Loss)	-58	-19	-38	-179
Adjusted PAT (Before Exceptional Loss)	-58	-21	-38	-179

Unaudited - Consolidated	Q2FY20	Q2FY19	Q1FY20	FY19
EBIDTA	(1)	70	24	3
Add: Adjustments				
Provision for Doubtful Debts (Net of credit balances written back)	13	-	-	62
Loss on sale of Vessels	-	-	-	74
Loss on valuation of investments	-	-	-	24
<b>Adjusted EBIDTA</b>	<b>12</b>	<b>70</b>	<b>24</b>	<b>163</b>

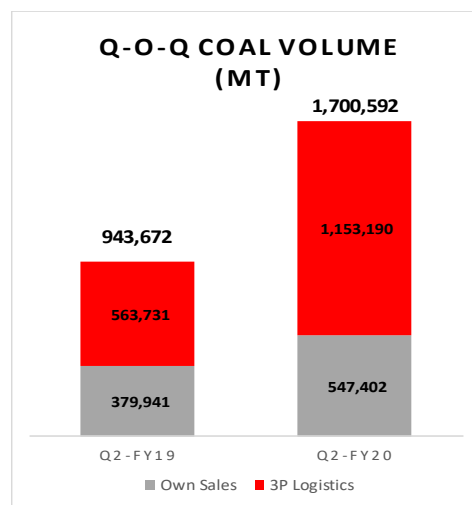
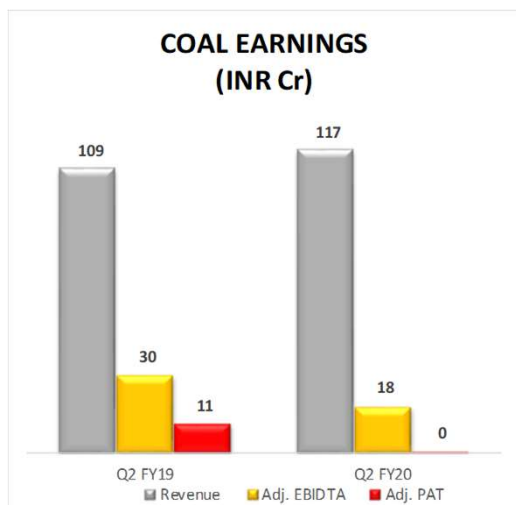
Unaudited - Consolidated	Q2FY20	Q2FY19	Q1FY20	FY19
Reported PAT	(336)	(33)	(257)	(836)
Add: Adjustments				
Loss of BG Encashment	-	-	107	-
Provision for Doubtful Debts	13	-	-	62
Discontinuing operations of VLCC	-	14	-	347
Loss on sale of Vessels	-	-	-	74
Penal Interest	47	-	-	-
Impairment of vessels and dredgers	218	-	111	151
Loss on valuation of investments	-	-	-	24
<b>Adjusted PAT</b>	<b>(58)</b>	<b>(19)</b>	<b>(38)</b>	<b>(179)</b>



Reduction in Q-o-Q EBITDA	Q-o-Q - Q2 FY20
Coal - Increase in Legal Cost & Other Expenses; lower coal prices	12
Shipping - Vessels (VLGC, VLCC & Tanker) Sold; Provision for doubtful debts & advances	32
Dredging - Slowdown of dredging business on account of business downturn and dredger laying up cost resulted into Negative EBITDA	26
<b>Reduction in Q-o-Q EBITDA</b>	<b>70</b>

Unaudited Consolidated (Rs. Cr.)	Q2FY20
PAT	(336)
<b>Impacted By</b>	
- Provision for doubtful debts & advances	13
- Impairment for Ships and Dredgers	218
- Penal Interest	47
<b>Adjusted PAT</b>	<b>(58)</b>

# Business Performance – Coal



## Financial Highlights

- EBIDTA reduction, despite increase in operating income is due to lower coal prices and incremental Legal & admin cost of about Rs. 6.5 crores incurred during Q2 FY20 on account of ongoing legal dispute.
- Own coal realisation Avg. US\$ 27/MT in Q2 FY20 from US\$ 30/MT in Q2 FY19.
- Reduction in Own Coal realisation is offset against higher quantity handled for 3<sup>rd</sup> party logistics.
- Incurred capex and advances for capital expenditure of Rs.41 crores in H1 FY20 on land acquisition and heavy equipment required for increasing production and logistics throughput.

## Operational Highlights

- Sales Volume of own coal @ 0.54 Mn MT in Q2 FY20 as against 0.38 Mn MT in Q2 FY19
- 105% increase in 3P Logistics volume Q-o-Q (1.15 Mn MT in Q2 FY20)
- Company is confident of resolving ongoing legal dispute in due course

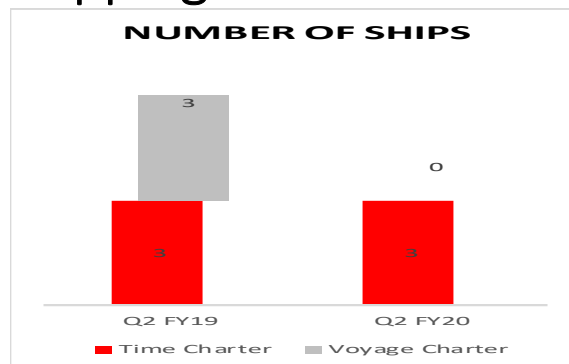
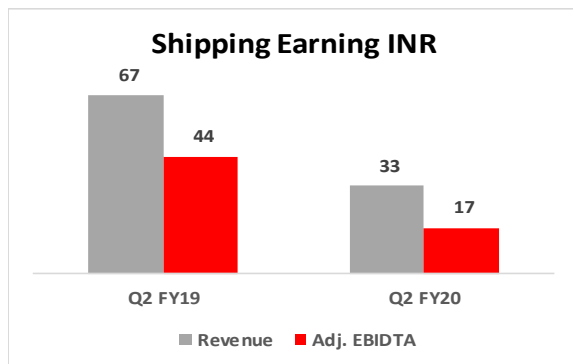
## Coal Mining & Logistics

INR Crore	Q2'20	Q2'19	Q-o-Q %	Q1'20	FY19
Operating Income	116	109	6%	114	472
Other Income	0	1		1	1
<b>Total Income</b>	<b>117</b>	<b>109</b>	<b>6%</b>	<b>115</b>	<b>473</b>
Expenses	99	79	19%	90	353
Non-Cash Expense -					
Provision for doubtful debts & advances	-	-	-	-	123
Impairment of Investment	-	-	-	-	24
<b>EBIDTA</b>	<b>18</b>	<b>30</b>	<b>-67%</b>	<b>25</b>	<b>(27)</b>
<b>EBIDTA %</b>	<b>15%</b>	<b>27%</b>		<b>22%</b>	<b>-6%</b>
<b>Adjusted EBIDTA</b>	<b>18</b>	<b>30</b>	<b>-67%</b>	<b>25</b>	<b>119</b>
<b>Adjusted EBIDTA %</b>	<b>15%</b>	<b>27%</b>		<b>22%</b>	<b>25%</b>

Particulars	Q2 FY 20	Q2 FY 19	Q1 FY 20	FY 19
<b>EBIDTA</b>	<b>18</b>	<b>30</b>	<b>24</b>	<b>(26)</b>
<u>Add: Adjustment</u>				
Provision for Doubtful Debts/ Bad Debts	-	-	-	123
Fair valuation loss of Investments (Panther)	-	-	-	24
<b>Adjusted EBIDTA</b>	<b>18</b>	<b>30</b>	<b>24</b>	<b>120</b>

Particulars	Q2 FY 20	Q2 FY 19	Q1 FY 20	FY 19
<b>PAT</b>	<b>0</b>	<b>11</b>	<b>5</b>	<b>(107)</b>
<u>Add: Adjustment</u>				
Provision for Doubtful Debts/ Bad Debts	-	-	-	123
Fair valuation loss of Investments (Panther)	-	-	-	24
<b>Adjusted PAT</b>	<b>0</b>	<b>11</b>	<b>5</b>	<b>39</b>

# Business Performance - Shipping



## Financial Highlights

- Drop in revenues Q-o-Q due to Sale of VLGC and aged MR Tanker in fiscal 2019 and VLCC in April-19, the proceeds of which used for Deleveraging Debts
- Hansa Prem was off hire for 45 days in Q1 FY20 on account of Dry Dock and Prem Mala was off hire for 6 days in Q1 FY20 on account of technical issues. This along with positive impact of exchange rate fluctuation resulted in an increase of 20% in revenues of Q2 FY20 as compared to Q1 FY20.
- Achieved adjusted EBITDA margin of 36% despite depressed rates compared to 66% in Q2 of previous fiscal year.
- The Company proposes to sell its FSO 'Prem Pride' and MR Tanker 'Prem Mala' for which approval of shareholders has been obtained and no objection from lenders is in process. Fleet of existing three ships has been impaired by Rs 187 Cr during Q2 FY20 based on the latest valuations as obtained by the company.
- A penal interest of Rs 47 crores has been provided in Q2 FY20 on account of event of default having been triggered by 2 lenders.

## Operational Highlights

- All 3 Vessels are on time charter with OMCs:

Vessel Name	Charter Party	Charter Rates \$/Day	Contracted Till *
Prem Pride	BG	26,000	Dec-19
Prem Mala	IOCL	11,125	Jan-20
Hansa Prem	BPCL	11,900	Mar-20

\*Including extension option with the charterers

INR Crore	Q2'20	Q2'19	Q-o-Q %	Q1'20	FY19
Operating Income	31	58	-46%	26	184
Other Income	2	9	-81%	2	22
<b>Total Income</b>	<b>33</b>	<b>67</b>	<b>-51%</b>	<b>28</b>	<b>207</b>
Expenses	16	23	-32%	10	88
Non Cash Expenses -					
Loss on sale of Vessels		-	-	-	74
Provision for doubtful debts & advances	6	-	-	-	8
<b>EBIDTA</b>	<b>12</b>	<b>44</b>	<b>-73%</b>	<b>18</b>	<b>37</b>
<b>EBIDTA %</b>	<b>36%</b>	<b>66%</b>		<b>65%</b>	<b>18%</b>
<b>Adjusted EBIDTA</b>	<b>17</b>	<b>44</b>	<b>-61%</b>	<b>18</b>	<b>(121)</b>
<b>Adjusted EBIDTA %</b>	<b>52%</b>	<b>66%</b>		<b>65%</b>	<b>-59%</b>

Particulars	Q2	Q2	Q1	
	FY 20	FY 19	FY 20	FY 19
<b>EBIDTA</b>	<b>12</b>	<b>44</b>	<b>18</b>	<b>37</b>
Add: Adjustment				
Prov. for Doubtful Debts/ Bad Debts	6	-	-	8
Loss on sale of Ships	-	-	-	74
<b>Adjusted EBIDTA</b>	<b>17</b>	<b>44</b>	<b>18</b>	<b>118</b>

Particulars	Q2	Q2	Q1	
	FY 20	FY 19	FY 20	FY 19
<b>PAT</b>	<b>(248)</b>	<b>1</b>	<b>(3)</b>	<b>(202)</b>
Add: Adjustment				
Prov. for Doubtful Debts/ Bad Debts	6	-	-	8
Impairment	187			
Loss on sale of Ships	-	-	-	74
Penal Interest	47			
<b>Adjusted PAT</b>	<b>(9)</b>	<b>1</b>	<b>(3)</b>	<b>(121)</b>



# Business Performance - Dredging



## Operational Highlights

- Slowdown of dredging business on account of business downturn; majority stake buyout of DCI by government owned major ports
- Revenues in Q2 FY20 are majorly from ongoing asset light dredging contracts.
- The Company is in the process of concluding monetization of its fleet of dredgers while focusing on asset light model for dredging contracts wherein the work can be accomplished by chartering dredgers. 2 of such contracts are already under execution presently
- In early Sept-19, one of the Dredger 'Tridevi Prem' developed a leak in the forward pump room leading to flooding and it capsized whilst at New Mangalore Port Trust anchorage. Recently another Dredger 'Bhagwati Prem' was beached on account of technical issues. Accordingly, Dredger 'Tridevi Prem' and 'Bhagwati Prem' have been impaired by Rs 31 crores during Q2 FY20
- Necessary insurance proceedings are being initiated for filing an insurance claim for the total constructive loss of dredger Veera Prem and the same shall be recognized in books as per applicable accounting policy during subsequent quarters when reasonable certainty is established based on the accounting policy of the Company

INR Crore	Q2'20	Q2'19	Q-o-Q %	Q1'20	FY19
Operating Income	7	35	-79%	4	128
Other Income	2	6	-71%	2	13
Non-Cash Income - Credit balances written back		-	-	-	41
<b>Total Income</b>	<b>9</b>	<b>41</b>	<b>-78%</b>	<b>6</b>	<b>182</b>
Expenses	22	35	-36%	15	156
Non-Cash Expense - Provision for doubtful debts & advances	7	-	-	-	88
<b>EBIDTA</b>	<b>(21)</b>	<b>6</b>	<b>-469%</b>	<b>(9)</b>	<b>(62)</b>
<b>EBIDTA %</b>	<b>-228%</b>	<b>14%</b>		<b>-149%</b>	<b>-34%</b>
<b>Adjusted EBIDTA</b>	<b>(13)</b>	<b>6</b>	<b>-338%</b>	<b>(9)</b>	<b>(15)</b>
<b>Adjusted EBIDTA %</b>	<b>-147%</b>	<b>14%</b>		<b>-149%</b>	<b>-8%</b>

Particulars	Q2 FY 20	Q2 FY 19	Q1 FY 20	FY 19 Actual
<b>EBIDTA</b>	<b>(21)</b>	<b>6</b>	<b>(9)</b>	<b>(62)</b>
Add: Adjustment				
Prov. for Doubtful Debts/ Bad Debts	7	-	-	47
<b>Adjusted EBIDTA</b>	<b>(13)</b>	<b>6</b>	<b>(9)</b>	<b>(15)</b>

Particulars	Q2 FY 20	Q2 FY 19	Q1 FY 20	FY 19 Actual
<b>PAT</b>	<b>(71)</b>	<b>(19)</b>	<b>(131)</b>	<b>(309)</b>
Add: Adjustment				
Provision for Doubtful Debts/ Bad Debts	7	-	-	47
Impairment	31	-	111	151
<b>Adjusted PAT</b>	<b>(33)</b>	<b>(19)</b>	<b>(20)</b>	<b>(112)</b>

# Q4 FY19 & FY19: Audited Consolidated Performance



Particulars	Consolidated	
	Quarter ended	Year ended
	31-Mar-19	31-Mar-19
	Audited	Audited
<b>1 Income</b>		
(a) Revenue from operations	176.10	867.35
(b) Other income	1.68	166.87
<b>Total Income</b>	<b>177.78</b>	<b>1,034.22</b>
<b>2 Expenses</b>		
(a) Cost of services rendered	161.34	618.88
(b) Employee benefits expense	11.44	41.64
(c) Finance costs	42.17	153.70
(d) Depreciation and amortisation	54.95	176.75
(d) Impairment Losses	53.45	53.45
(e) Other expenses	73.22	392.88
<b>Total expenses</b>	<b>396.57</b>	<b>1,437.30</b>
<b>3 Profit/(loss) from operations before exceptional items and tax (1-2)</b>	<b>(218.79)</b>	<b>(403.08)</b>
<b>4 Exceptional items</b>	<b>(97.16)</b>	<b>(108.89)</b>
<b>5 Profit/(loss) before tax from Continuing Operations (3 - 4)</b>	<b>(315.95)</b>	<b>(511.97)</b>
<b>6 Tax expense</b>		
Current tax ( including earlier year adjustment)	(7.33)	(33.24)
Deferred tax (net)	0.87	0.76
<b>7 Net profit/(loss) after tax from Continuing Operations (5 - 6)</b>	<b>(322.41)</b>	<b>(544.45)</b>
<b>Discontinued Operation</b>		
Net profit/(loss) before tax from discontinued Operation	(27.89)	(334.67)
Tax (expenses) / benefit of discontinued operation	-	-
<b>8 Net profit/(loss) after tax from Discontinued Operation</b>	<b>(27.89)</b>	<b>(334.67)</b>
<b>9 Net profit/(loss) after tax</b>	<b>(350.30)</b>	<b>(879.12)</b>
<b>10 Items that will not be reclassified to statement of profit and loss</b>		
Remeasurement gains /(loss) of defined benefit plans	0.01	(0.05)
<b>Total Other comprehensive income /(loss)</b>	<b>0.01</b>	<b>(0.05)</b>
<b>11 Total comprehensive income /(loss) for the period/year (comprising profits and other comprehensive income for the period/year ) (9+10)</b>	<b>(350.29)</b>	<b>(879.17)</b>
<b>12 Profit /(Loss) attributable to for the period (net of tax)</b>		
Owners of the company	(380.92)	(908.63)
Non controlling interest	30.64	29.52
<b>13 Other comprehensive income/ (loss) for the year (net of tax)</b>		
Owners of the company	0.01	(0.05)
Non controlling interest	-	-
<b>14 Total Comprehensive Income /(Loss) for the period / year attributable to</b>		
Owners of the company	(380.91)	(908.68)
Non controlling interest	30.64	29.52

Particulars	Consolidated	
	As at	As at
	31-Mar-2019	31-Mar-2018
	(Audited)	(Audited)
<b>A ASSETS:</b>		
<b>1 Non-current assets:</b>		
a) Property, plant and equipment	840.34	1,640.44
b) Capital work in progress	281.47	292.31
c) Investment property	0.96	1.10
d) Other Intangible assets	0.11	0.54
e) Deferred Tax Assets	1.30	-
f) Financial assets		
i) Investments	0.00	-
ii) Loans	6.91	10.81
iii) Other financial assets	212.45	15.13
g) Other non-current assets	66.08	114.05
h) Income tax assets (net)	92.73	82.50
	<b>1,502.35</b>	<b>2,156.88</b>
<b>2 Current assets:</b>		
a) Inventories	15.20	16.61
b) Financial assets		
i) Investments	180.38	205.73
ii) Trade receivables	110.31	321.74
iii) Cash and cash equivalent	0.88	22.46
iv) Bank balances other than cash and cash equivalents	37.04	105.98
v) Loans	23.38	3.18
vi) Other financial assets	70.58	74.61
c) Other current assets	66.33	282.36
Non current asset held for sale	185.68	26.28
	<b>689.78</b>	<b>1,058.95</b>
<b>TOTAL ASSETS</b>	<b>2,192.13</b>	<b>3,215.83</b>
<b>B EQUITY AND LIABILITIES:</b>		
<b>1 Equity:</b>		
a) Equity share capital	30.25	30.25
b) Other equity	(86.85)	922.43
Non Controlling Interest	90.50	60.97
	<b>33.90</b>	<b>1,013.65</b>
<b>2 Non-current liabilities:</b>		
a) Financial liabilities		
i) Borrowings	514.48	1,012.60
ii) Other financial liabilities	32.15	42.00
b) Provisions	5.50	3.55
c) Deferred Tax Liability (Net)	-	0.72
	<b>552.13</b>	<b>1,058.87</b>
<b>3 Current liabilities:</b>		
a) Financial liabilities		
i) Borrowings	722.37	422.61
ii) Trade payables	213.49	265.29
iii) Other financial liabilities	534.67	324.42
b) Other current liabilities	134.94	130.43
d) Provision	0.63	0.56
	<b>1,606.10</b>	<b>1,143.31</b>
<b>TOTAL LIABILITIES</b>	<b>2,158.23</b>	<b>2,202.18</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,192.13</b>	<b>3,215.83</b>

**Note:** As a result of the legal dispute in a step-down subsidiary, PT Karya Putra Borneo (KPB) (a material subsidiary in Indonesia), we have not been able to provide audited financial statements of KPB. On account of this, the Company had, for the time being, published unaudited consolidated financial statements for the year ended 31-March-2019 and quarter ended 30-June-2019. Since the legal dispute is still ongoing, the Company has now published the audited consolidated financial statements (with a disclaimer of opinion) for the year ended 31-March-2019 and limited reviewed financial statements for the quarter ended 30-June-2019 and 30-Sept-2019.

# Q1 FY19: Audited Consolidated Performance



<b>Mercator Limited</b>				
<b>CIN NO : L63090MH1983PLCO31418</b>				
<b>Regd. Office: 83-87, 8th Floor, Mittal Tower, B-wing, Nariman Point, Mumbai-400021. Tel: 022-66373333</b>				
<b>Unaudited Financial Results For Quarter Ended June 30, 2019</b>				
<b>(Rs. in crore)</b>				
<b>Particulars</b>	<b>Consolidated</b>			
	<b>Quarter ended</b>		<b>Year Ended</b>	
	<b>30-Jun-19</b>	<b>31-Mar-19</b>	<b>30-Jun-18</b>	<b>31-Mar-19</b>
	<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>
<b>1 Income</b>				
(a) Revenue from operations	145.71	176.10	183.08	867.35
(b) Other income	0.90	1.68	23.76	166.87
<b>Total Income</b>	<b>146.61</b>	<b>177.78</b>	<b>206.84</b>	<b>1,034.22</b>
<b>2 Expenses</b>				
(a) Cost of services rendered	99.73	161.34	94.49	618.88
(b) Employee benefits expense	10.06	11.44	12.00	41.64
(c) Finance costs	31.05	42.17	41.14	153.70
(d) Depreciation and amortisation	23.34	54.95	20.61	176.75
(e) Impairment Losses	111.16	53.45	-	53.45
(f) Other expenses	13.09	73.22	67.10	392.88
<b>Total expenses</b>	<b>288.43</b>	<b>396.57</b>	<b>235.34</b>	<b>1,437.30</b>
<b>3 Profit/(loss) from operations before exceptional items and tax (1-2)</b>	<b>(141.82)</b>	<b>(218.79)</b>	<b>(28.50)</b>	<b>(403.08)</b>
<b>4 Exceptional items</b>	(106.99)	(97.16)	-	(108.89)
<b>5 Profit/(loss) before tax from Continuing Operations (3 - 4)</b>	<b>(248.81)</b>	<b>(315.95)</b>	<b>(28.50)</b>	<b>(511.97)</b>
<b>6 Tax expense</b>				
Current tax (including earlier year adjustment)	(4.98)	(7.33)	(39.77)	(33.24)
Deferred tax (net)	-	0.87	(2.12)	0.76
<b>7 Net profit/(loss) after tax from Continuing Operations (5 - 6)</b>	<b>(253.79)</b>	<b>(322.41)</b>	<b>(70.39)</b>	<b>(544.45)</b>
<b>Discontinued Operation</b>				
Net profit/(loss) before tax from discontinued Operations	(2.75)	(27.89)	(14.75)	(334.67)
Tax (expenses) / benefit of discontinued operations	-	-	-	-
<b>8 Net profit/(loss) after tax from Discontinued Operations</b>	<b>(2.75)</b>	<b>(27.89)</b>	<b>(14.75)</b>	<b>(334.67)</b>
<b>9 Net profit/(loss) after tax</b>	<b>(256.54)</b>	<b>(350.30)</b>	<b>(85.14)</b>	<b>(879.12)</b>
<b>10 Items that will not be reclassified to statement of profit and loss</b>				
Remeasurement gains/(loss) of defined benefit plans	(0.03)	0.01	1.33	(0.05)
<b>Total Other comprehensive income/(loss)</b>	<b>(0.03)</b>	<b>0.01</b>	<b>1.33</b>	<b>(0.05)</b>
<b>11 Total comprehensive income/(loss) for the period/year (comprising profits and other comprehensive income for the period/year) (9+10)</b>	<b>(256.57)</b>	<b>(350.29)</b>	<b>(83.81)</b>	<b>(879.17)</b>
<b>12 Profit/(Loss) attributable to for the period (net of tax)</b>				
Owners of the company	(263.17)	(380.94)	(92.35)	(908.64)
Non controlling interest	6.63	30.64	7.21	29.52
<b>13 Other comprehensive income/(loss) for the year (net of tax)</b>				
Owners of the company	(0.03)	0.01	1.33	(0.05)
Non controlling interest	-	-	-	-
<b>14 Total Comprehensive Income/(Loss) for the period / year attributable to</b>				
Owners of the company	(263.20)	(380.93)	(91.02)	(908.69)
Non controlling interest	6.63	30.64	7.21	29.52
<b>15 Paid up equity share capital (FV of Re.1 per share)</b>	<b>30.25</b>	<b>30.25</b>	<b>30.25</b>	<b>30.25</b>
<b>16 Basic and Diluted earnings per equity share from continuing operations</b>	<b>(8.61)</b>	<b>(11.67)</b>	<b>(2.73)</b>	<b>(18.98)</b>
<b>17 Basic and Diluted earnings per equity share from discontinued operations</b>	<b>(0.09)</b>	<b>(0.92)</b>	<b>(0.49)</b>	<b>(11.06)</b>
<b>18 Basic and Diluted earnings per equity share from continuing and discontinued operations</b>	<b>(8.70)</b>	<b>(12.59)</b>	<b>(3.22)</b>	<b>(30.04)</b>

**Note:** As a result of the legal dispute in a step-down subsidiary, PT Karya Putra Borneo (KPB) (a material subsidiary in Indonesia), we have not been able to provide audited financial statements of KPB. On account of this, the Company had, for the time being, published unaudited consolidated financial statements for the year ended 31-March-2019 and quarter ended 30-June-2019. Since the legal dispute is still ongoing, the Company has now published the audited consolidated financial statements (with a disclaimer of opinion) for the year ended 31-March-2019 and limited reviewed financial statements for the quarter ended 30-June-2019 and 30-Sept-2019.

# Audited Standalone Financial Performance Q2 FY20



Mercator Limited						
CIN NO : L63090MH1983PLCO31418						
Regd. Office: 83-87, 8th Floor, Mittal Tower, B-wing, Nariman Point, Mumbai-400021. Tel: 022-66373333						
Unaudited Financial Results For Half Year / Quarter Ended September 30, 2019						
(Rs. in crore)						
Particulars	Standalone					
	Quarter ended			Half Year Ended		Year Ended
	30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 Income</b>						
(a) Revenue from operations	38.34	30.09	92.49	68.43	174.95	311.96
(b) Other income	3.40	3.64	14.57	7.04	26.69	76.61
<b>Total Income</b>	<b>41.74</b>	<b>33.73</b>	<b>107.06</b>	<b>75.47</b>	<b>201.64</b>	<b>388.57</b>
<b>2 Expenses</b>						
(a) Cost of services rendered	32.53	17.57	50.66	50.10	99.31	212.76
(b) Employee benefits expense	2.69	3.48	4.13	6.17	8.11	17.41
(c) Finance costs	76.94	16.61	31.96	93.55	62.68	116.92
(d) Depreciation and amortisation	14.41	13.84	34.16	28.25	69.26	123.72
(e) Impairment Losses	217.73	111.16	-	328.89	-	53.45
(f) Other expenses	15.54	3.96	2.86	19.50	6.03	109.55
(g) Loss on Sale / Discard of Fixed Asset	-	-	-	-	-	73.50
<b>Total expenses</b>	<b>359.84</b>	<b>166.62</b>	<b>123.77</b>	<b>526.46</b>	<b>245.39</b>	<b>707.31</b>
<b>3 Profit/(loss) from operations before exceptional items and tax (1-2)</b>	<b>(318.10)</b>	<b>(132.89)</b>	<b>(16.71)</b>	<b>(450.99)</b>	<b>(43.75)</b>	<b>(318.74)</b>
4 Exceptional items	-	-	-	-	-	(181.38)
<b>5 Profit/(loss) before tax from Continuing Operations (3 - 4)</b>	<b>(318.10)</b>	<b>(132.89)</b>	<b>(16.71)</b>	<b>(450.99)</b>	<b>(43.75)</b>	<b>(500.12)</b>
<b>6 Tax expense</b>						
Current tax (including earlier year adjustment)	(1.30)	(1.30)	(2.28)	(2.60)	(2.68)	(11.33)
Deferred tax (net)	-	-	-	-	-	-
<b>7 Net profit/(loss) after tax from Continuing Operations (5-6)</b>	<b>(319.40)</b>	<b>(134.19)</b>	<b>(18.99)</b>	<b>(453.59)</b>	<b>(46.43)</b>	<b>(511.45)</b>
<b>Discontinued Operations</b>						
Net profit/(loss) before tax from discontinued operations	-	-	-	-	-	-
Tax (expenses) / benefit of discontinued operations	-	-	-	-	-	-
<b>8 Net profit/(loss) after tax from Discontinued Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9 Net profit/(loss) after tax</b>	<b>(319.40)</b>	<b>(134.19)</b>	<b>(18.99)</b>	<b>(453.59)</b>	<b>(46.43)</b>	<b>(511.45)</b>
<b>10 Items that will not be reclassified to statement of profit and loss</b>						
Remeasurement gains/(loss) of defined benefit plans	(0.03)	(0.03)	(0.16)	-	0.02	(0.12)
<b>Total Other comprehensive income/(loss)</b>	<b>(0.03)</b>	<b>(0.03)</b>	<b>(0.16)</b>	<b>-</b>	<b>0.02</b>	<b>(0.12)</b>
<b>11 Total comprehensive income/(loss) for the period/year (comprising profits and other comprehensive income for the period/year) (9+10)</b>	<b>(319.43)</b>	<b>(134.22)</b>	<b>(19.15)</b>	<b>(453.59)</b>	<b>(46.41)</b>	<b>(511.57)</b>
<b>12 Profit/(Loss) attributable to for the period (net of tax)</b>						
Owners of the company	(319.40)	(134.19)	(18.99)	(453.59)	(46.43)	(511.45)
Non controlling interest	-	-	-	-	-	-
<b>13 Other comprehensive income/(loss) for the year (net of tax)</b>						
Owners of the company	(0.03)	(0.03)	(0.16)	-	0.02	(0.12)
Non controlling interest	-	-	-	-	-	-
<b>14 Total Comprehensive Income/(Loss) for the period / year attributable to</b>						
Owners of the company	(319.43)	(134.22)	(19.15)	(453.59)	(46.41)	(511.57)
Non controlling interest	-	-	-	-	-	-
<b>15 Paid up equity share capital (FV of Re.1 per share)</b>	<b>30.25</b>	<b>30.25</b>	<b>30.25</b>	<b>30.25</b>	<b>30.25</b>	<b>30.25</b>
<b>16 Basic and Diluted earnings per equity share from continuing operations</b>	<b>(10.56)</b>	<b>(4.44)</b>	<b>(0.63)</b>	<b>(15.00)</b>	<b>(1.53)</b>	<b>(16.91)</b>
<b>17 Basic and Diluted earnings per equity share from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>18 Basic and Diluted earnings per equity share from continuing and discontinued operations</b>	<b>(10.56)</b>	<b>(4.44)</b>	<b>(0.63)</b>	<b>(15.00)</b>	<b>(1.53)</b>	<b>(16.91)</b>
<b>19 Debenture Redemption Reserve</b>				25.00	25.00	25.00
<b>20 Capital Redemption Reserve</b>				40.00	40.00	40.00
<b>21 Net Worth</b>				(307.68)	711.34	145.22
<b>22 Debt equity ratio</b>				(5.16)	1.44	4.73
<b>23 Debt service coverage ratio (DSCR)</b>				0.45	1.21	1.02
<b>24 Interest service coverage ratio (ISCR)</b>				0.12	1.32	1.25

ISCR = Cash Profit Before Finance Cost / Finance cost; Debt Equity Ratio = Total Borrowings / Total Equity; DSCR = Cash Profit before finance cost / (Finance Cost + Principal Repayments (excluding prepayments) during the year)

# Audited Standalone Financial Performance Q2 FY20



<b>Mercator Limited</b>		
CIN NO : L63090MH1983PLCO31418		
Regd. Office: 3rd Floor, Mittal Tower, B-wing, Nariman Point, Mumbai-400021. Tel: 022-66373333		
Statement of Assets and Liabilities As at September 30, 2019		
(Rs. in crore)		
Particulars	STANDALONE	
	As at 30-Sep-2019 (Audited)	As at 31-Mar-2019 (Audited)
<b>A ASSETS:</b>		
<b>1 Non-current assets:</b>		
a) Property, plant and equipment	93.98	451.84
b) Capital work in progress	-	-
c) Investment property	-	0.96
d) Other Intangible assets	-	-
e) Investment in subsidiaries	484.54	474.48
f) Financial assets		
i) Investments	-	-
ii) Loans	73.08	73.41
iii) Other financial assets	6.72	15.30
g) Other non-current assets	14.65	19.45
h) Income tax assets (net)	71.83	88.87
	<b>744.80</b>	<b>1,124.31</b>
<b>2 Current assets:</b>		
a) Inventories	2.35	3.74
b) Financial assets		
i) Trade receivables	63.27	67.71
ii) Cash and cash equivalent	7.54	7.42
iii) Bank balances other than cash and cash equivalents	25.08	21.31
iv) Loans	88.04	262.27
v) Other financial assets	67.76	71.36
c) Other current assets	33.88	30.28
d) Non current asset held for sale	11.50	-
	<b>299.42</b>	<b>464.09</b>
<b>TOTAL ASSETS</b>	<b>1,044.22</b>	<b>1,588.40</b>
<b>B EQUITY AND LIABILITIES:</b>		
<b>1 Equity:</b>		
a) Equity share capital	30.25	30.25
b) Other equity	(232.90)	222.65
	<b>(202.65)</b>	<b>252.90</b>
<b>2 Non-current liabilities:</b>		
a) Financial liabilities		
i) Borrowings	211.55	473.73
ii) Other financial liabilities	0.03	0.18
b) Provisions	1.19	1.16
	<b>212.77</b>	<b>475.07</b>
<b>3 Current liabilities:</b>		
a) Financial liabilities		
i) Borrowings	342.67	381.49
ii) Trade payables	96.74	85.27
iii) Other financial liabilities	580.06	369.34
b) Other current liabilities	14.02	23.72
c) Provision	0.61	0.61
	<b>1,034.10</b>	<b>860.43</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,044.22</b>	<b>1,588.40</b>

# Audited Consolidated Financial Performance Q2FY20



<b>Mercator Limited</b>						
<b>CIN NO : L63090MH1983PLC031418</b>						
<b>Regd. Office: 83-87, 8th Floor, Mittal Tower, B-wing, Nariman Point, Mumbai-400021. Tel: 022-66373333</b>						
<b>Unaudited Financial Results For Half Year / Quarter Ended September 30, 2019</b>						
<b>(Rs. in crore)</b>						
Particulars	<b>Consolidated</b>					
	<b>Quarter Ended</b>			<b>Half Year Ended</b>		<b>Year Ended</b>
	<b>30-Sep-19</b>	<b>30-Jun-19</b>	<b>30-Sep-18</b>	<b>30-Sep-19</b>	<b>30-Sep-18</b>	<b>31-Mar-19</b>
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
<b>1 Income</b>						
(a) Revenue from operations	154.46	145.71	221.80	300.17	439.29	867.35
(b) Other income	0.80	0.90	1.64	1.70	4.48	166.87
<b>Total Income</b>	<b>155.26</b>	<b>146.61</b>	<b>223.44</b>	<b>301.87</b>	<b>443.77</b>	<b>1,034.22</b>
<b>2 Expenses</b>						
(a) Cost of services rendered	115.55	99.73	128.72	215.28	261.01	618.88
(b) Employee benefits expense	8.60	10.06	10.98	18.66	19.01	41.64
(c) Finance costs	89.75	31.05	49.43	120.80	96.09	153.70
(d) Depreciation and amortisation	25.12	23.34	47.74	48.46	95.65	176.75
(e) Impairment Losses	217.73	111.16	-	328.89	-	53.45
(f) Other expenses	32.00	13.09	11.67	45.09	21.86	392.88
<b>Total expenses</b>	<b>488.75</b>	<b>288.43</b>	<b>248.54</b>	<b>777.18</b>	<b>493.62</b>	<b>1,437.30</b>
<b>3 Profit/(loss) from operations before exceptional items and tax (1-2)</b>	<b>(333.49)</b>	<b>(141.82)</b>	<b>(25.10)</b>	<b>(475.31)</b>	<b>(49.85)</b>	<b>(403.08)</b>
4 Exceptional items	-	(106.99)	-	(106.99)	(11.73)	(108.89)
<b>5 Profit/(loss) before tax from Continuing Operations (3-4)</b>	<b>(333.49)</b>	<b>(248.81)</b>	<b>(25.10)</b>	<b>(582.30)</b>	<b>(61.58)</b>	<b>(511.97)</b>
<b>6 Tax expense</b>						
Current tax (including earlier year adjustment)	(2.35)	(4.98)	(7.43)	(7.33)	(15.75)	(33.24)
Deferred tax (net)	-	-	0.02	-	(1.73)	0.76
<b>7 Net profit/(loss) after tax from Continuing Operations (5-6)</b>	<b>(335.84)</b>	<b>(253.79)</b>	<b>(32.51)</b>	<b>(589.63)</b>	<b>(79.06)</b>	<b>(544.45)</b>
<b>Discontinued Operation</b>						
Net profit/(loss) before tax from discontinued Operations	(0.02)	(2.75)	-	(2.77)	-	(334.67)
Tax (expenses) / benefit of discontinued operations	-	-	-	-	-	-
<b>8 Net profit/(loss) after tax from Discontinued Operations</b>	<b>(0.02)</b>	<b>(2.75)</b>	<b>-</b>	<b>(2.77)</b>	<b>-</b>	<b>(334.67)</b>
<b>9 Net profit/(loss) after tax</b>	<b>(335.86)</b>	<b>(256.54)</b>	<b>(32.51)</b>	<b>(592.40)</b>	<b>(79.06)</b>	<b>(879.12)</b>
<b>10 Items that will not be reclassified to statement of profit and loss</b>						
Remeasurement gains/(loss) of defined benefit plans	(0.03)	(0.03)	(0.16)	(0.06)	0.04	(0.05)
<b>Other comprehensive income</b>						
<b>Total Other comprehensive income/(loss)</b>	<b>(0.03)</b>	<b>(0.03)</b>	<b>(0.16)</b>	<b>(0.06)</b>	<b>0.04</b>	<b>(0.05)</b>
<b>11 Total comprehensive income/(loss) for the period/year (comprising profits and other comprehensive income for the period/year) (9-10)</b>	<b>(335.89)</b>	<b>(256.57)</b>	<b>(32.67)</b>	<b>(592.46)</b>	<b>(79.02)</b>	<b>(879.17)</b>
<b>12 Profit/(Loss) attributable to for the period (net of tax)</b>						
Owners of the company	(337.72)	(263.17)	(43.36)	(600.89)	(100.35)	(908.64)
Non controlling interest	1.86	6.63	10.85	8.49	21.29	29.52
<b>13 Other comprehensive income/(loss) for the year (net of tax)</b>						
Owners of the company	(0.03)	(0.03)	(0.16)	(0.06)	0.04	(0.05)
Non controlling interest	-	-	-	-	-	-
<b>14 Total Comprehensive Income/(Loss) for the period / year attributable to</b>						
Owners of the company	(337.75)	(263.20)	(43.52)	(600.95)	(100.31)	(908.69)
Non controlling interest	1.86	6.63	10.85	8.49	21.29	29.52
<b>15 Paid up equity share capital (FV of Re.1 per share)</b>	<b>30.25</b>	<b>30.25</b>	<b>30.25</b>	<b>30.25</b>	<b>30.25</b>	<b>30.25</b>
<b>16 Paid up debt capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100.00</b>
<b>17 Basic and Diluted earnings per equity share from continuing operations</b>	<b>(11.17)</b>	<b>(8.61)</b>	<b>(1.44)</b>	<b>(19.49)</b>	<b>(3.22)</b>	<b>(18.98)</b>
<b>18 Basic and Diluted earnings per equity share from discontinued operations</b>	<b>(0.00)</b>	<b>(0.09)</b>	<b>-</b>	<b>(0.09)</b>	<b>-</b>	<b>(11.07)</b>
<b>19 Basic and Diluted earnings per equity share from continuing and discontinued operations</b>	<b>(11.17)</b>	<b>(8.70)</b>	<b>(1.44)</b>	<b>(19.87)</b>	<b>(3.22)</b>	<b>(30.04)</b>
<b>20 Debenture Redemption Reserve</b>				25.00	25.00	25.00
<b>21 Capital Redemption Reserve</b>				40.00	40.00	40.00
<b>22 Net Worth</b>				(818.99)	837.59	(187.20)
<b>23 Debt equity ratio</b>				(2.92)	1.95	49.55
<b>24 Debt service coverage ratio (DSCR)</b>				0.29	0.99	0.57
<b>25 Interest service coverage ratio (ISCR)</b>				0.39	1.29	0.63

ISCR = Cash Profit Before Finance Cost/ Finance cost; Debt Equity Ratio = Total Borrowings/ Total Equity; DSCR = Cash Profit before finance cost/(Finance Cost + Principal Repayments (excluding prepayments) during the year)

# Audited Consolidated Financial Performance Q2FY20



<b>Mercator Limited</b>		
CIN NO : L63090MH1983PLCO31418		
Regd. Office: 83-87, Mittal Tower, B-wing, Nariman Point, Mumbai-400021. Tel: 022-66373333		
Statement of Assets and Liabilities As at September 30, 2019		
(Rs. in crore)		
Particulars	Consolidated	
	As at 30-Sep-2019 (Unaudited)	As at 31-Mar-2019 (Audited)
<b>A ASSETS:</b>		
<b>1 Non-current assets:</b>		
a) Property, plant and equipment	459.00	840.34
b) Capital work in progress	304.83	281.47
c) Investment property	-	0.96
d) Other Intangible assets	0.09	0.11
e) Deferred Tax Assets	1.33	1.30
<b>f) Financial assets</b>		
i) Investments	-	0.00
ii) Loans	1.91	6.91
iii) Other financial assets	204.65	212.45
g) Other non-current assets	82.61	66.08
h) Income tax assets (net)	78.02	92.73
	<b>1,132.44</b>	<b>1,502.35</b>
<b>2 Current assets:</b>		
a) Inventories	16.09	15.20
<b>b) Financial assets</b>		
i) Investments	185.15	180.38
ii) Trade receivables	98.98	110.31
iii) Cash and cash equivalent	21.53	0.88
iv) Bank balances other than cash and cash equivalents	25.15	37.04
v) Loans	1.51	23.38
vi) Other financial assets	68.29	70.58
c) Other current assets	86.77	66.33
Non current asset held for sale	11.50	185.68
	<b>514.97</b>	<b>689.78</b>
<b>TOTAL ASSETS</b>	<b>1,647.41</b>	<b>2,192.13</b>
<b>B EQUITY AND LIABILITIES:</b>		
<b>1 Equity:</b>		
a) Equity share capital	30.25	30.25
b) Other equity	(700.94)	(86.85)
Non Controlling Interest	96.38	96.50
	<b>(574.31)</b>	<b>33.90</b>
<b>2 Non-current Liabilities:</b>		
a) Financial liabilities		
i) Borrowings	211.55	514.48
ii) Other financial liabilities	54.96	32.15
b) Provisions	6.45	5.50
c) Deferred Tax Liability (Net)	-	-
	<b>272.96</b>	<b>552.13</b>
<b>3 Current Liabilities:</b>		
a) Financial liabilities		
i) Borrowings	778.20	722.37
ii) Trade payables	209.91	213.49
iii) Other financial liabilities	880.32	534.67
b) Other current liabilities	79.67	134.94
d) Provision	0.66	0.63
	<b>1,948.76</b>	<b>1,606.10</b>
<b>TOTAL LIABILITIES</b>	<b>2,221.72</b>	<b>2,158.23</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,647.41</b>	<b>2,192.13</b>



**THANK YOU**