

# Mercator Limited

Under Corporate Insolvency Resolution Process

Resolution Professional- Mr. Girish Siriram Juneja

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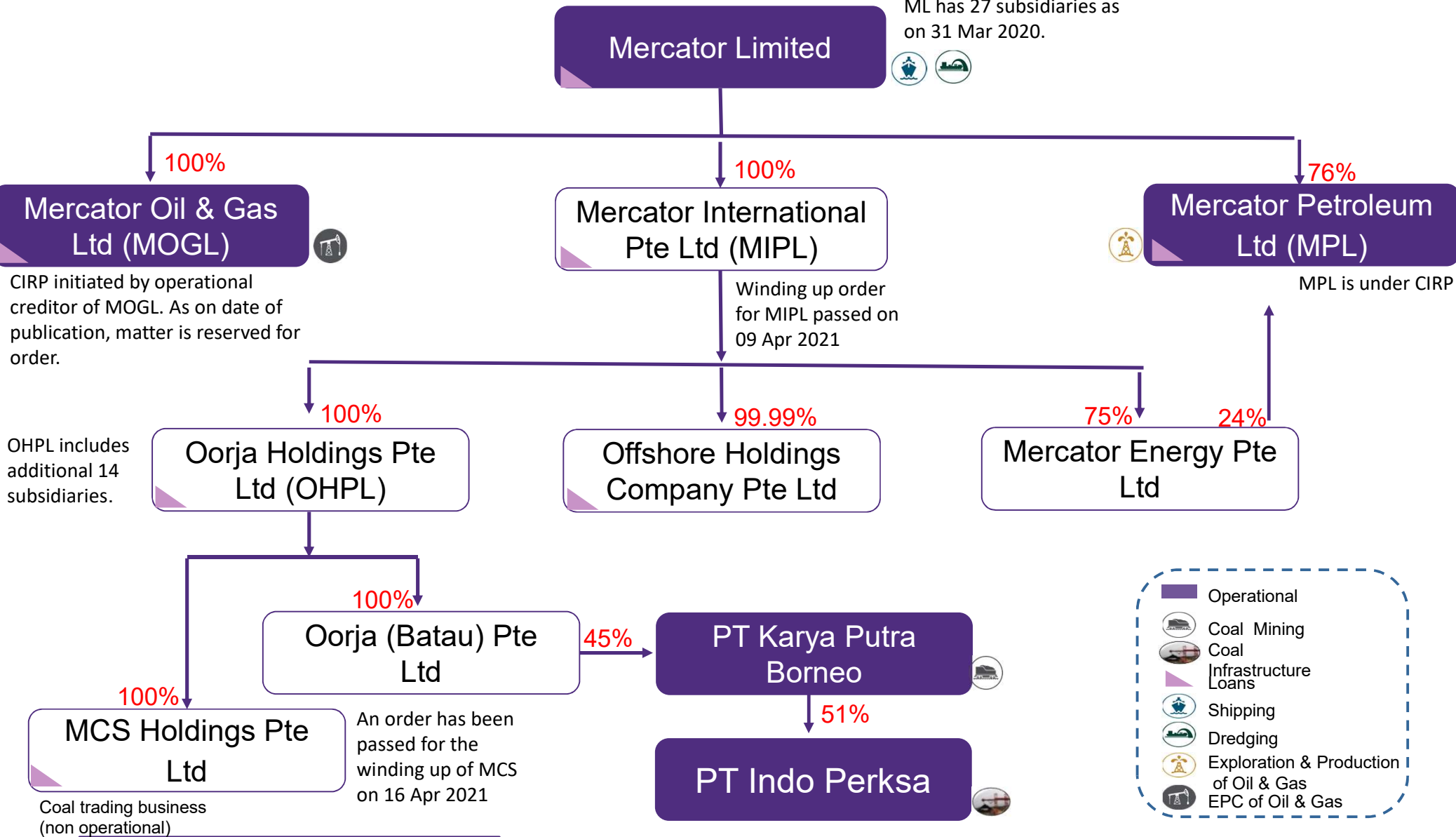
# Company Overview

Mumbai based Shipping Company with a worldwide recognition

Particulars	Details
<b>Company</b>	Mercator Limited (ML)
<b>Promoter</b>	Mr. Harish Mittal
<b>Listing Status</b>	Listed on BSE & NSE
<b>Constitution</b>	Public Limited Company
<b>Corporate Identification Number</b>	<a href="#">L63090MH1983PLC031418</a>
<b>Incorporation date</b>	24 November 1983
<b>PAN</b>	AAACM5007A
<b>Paid up capital</b>	INR 30.25 crore
<b>Registered Office</b>	83-87, 8th floor, Mittal Tower, B Wing, Nariman Point Mumbai Mumbai City MH 400021
<b>Key Business Areas</b>	Key sectors wherein Mercator Limited had a presence either directly or through its subsidiaries- <ul style="list-style-type: none"><li>• Coal &amp; Logistics</li><li>• Shipping</li><li>• Dredging</li><li>• Oil &amp; Gas exploration and production</li></ul>
<b>CIRP Update</b>	Corporate Insolvency Resolution Process (CIRP) has been initiated under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“IBC”), on 08 February 2021.

# Organisation Structure

ML has 27 subsidiaries as on 31 Mar 2020.



- Operational
- Coal Mining
- Coal
- Infrastructure
- Loans
- Shipping
- Dredging
- Exploration & Production of Oil & Gas
- EPC of Oil & Gas

# Executive Summary – Investment Highlights

## Vessel Details :

- Yukti Prem dredger located at Cochin Port, year built 2011 with capacity of 120 KW
- Darshini Prem dredger located at Kakinada, year built 2006 with capacity of 7450 M<sup>3</sup>
- The above 2 vessels have been arrested pursuant to petitions filed by respective creditors.

## Property:

- Office space at prime commercial location (Nariman Point) having an area of approx. 3200 sq ft
- Land plot in Ahmedabad -Gujarat

## Tax refunds:

- Tax refunds of INR 70 crore (approx) are expected to be received from the ongoing scrutiny assessment for assessment years 2007 up to 2021

## ML's Dredging Experience Qualifications:

- In spite of scale-down of operations ML carries a strong brand recall in the dredging segment.
- ML has over 10 years of professional experience in the Indian Tonnage Marine and Waterways Contract segment
- More than 40 projects executed on back to back basis.

## ML has delivered dredging projects covering

- Maintenance Dredging Works
- Port Development and Management
- Rock Dredging, percussion methods, rock cutters, drilling and blasting
- Breakwater design and construction works
- Capital Dredging Works
- Exploration of minerals and sand mining works
- Marine Construction Works
- Coastal Protection and Defense
- River and Fresh Water lake restoration works
- Development of Inland Waterways Navigational and Shipping Channels
- Training of the Rivers, Inland Waterways including Bandaling Works

## ML's dredging clientele

- New Mangalore Port Trust
- Mumbai Port Trust
- Kandla Port Trust
- Paradip Port Trust
- JSW Jaigarh Port Limited
- Indian Navy
- Cochin Port Trust
- Angre Port
- Kattupalli International Container Terminal
- Sethusamudram Corporation Limited
- Karaikal Port

# Executive Summary – Investment Highlights

## **Mercator Limited Claims :**

- ML has a potential claim recovery from Dredging Corporation of India (DCI) amounting to approx. INR 50 crore. ML is contesting an appeal by DCI against the arbitration award under execution in India, that was passed in favour of ML..
- ML has filed a claim for recovery of INR 55 crore against New India Assurance for a balance amount (under litigation) under the Insurance Policy cover verified by the surveyors. The matter is listed for final hearing (as on date of publication) at the National Consumer Dispute Redressal Commission.

## **Strategic Investments : Subsidiaries**

### **Oil & Gas- EPC Contract:**

- MOGL (100% subsidiary of ML) initiated arbitration to recover damages to the tune of USD 260mn (INR 2000cr) as contract was terminated by ONGC in late 2018
- The matter is being pursued by MOGL legal counsel in the Bombay High Court, Arbitral Tribunal, situated in India with the outcome (at time of publication) expected by September 2021.

### **Coal & Logistics :**

- MIPL (100% subsidiary of ML) holds 100% in Oorja holdings which in turn holds 100% in all coal companies. The two main operational entities are
- Pt Indo Perksa (IPK) - owns an infrastructure which evacuates coal of PT Karya Putra Borneo (Road + Jetty).
- PT Karya Putra Borneo has been allocated approx 22.3 million tonnes of coal reserves as on 31 March 2020 as per the financials for FY2019-20. Given the strategic location of the jetty at IPK, cost of evacuation of coal is relatively low.

# Annexures

# Summary of Claims

List of creditors version dated 15 April 2021

(INR Cr.)

Type of Creditor Claim Filed	Number of claims	Amount Claimed	Amount Admitted	Amount under verification	Amount Not Admitted
Financial Creditor	11	1,525.9	1,304.7	221.2	-
Operational Creditor	19	47.8	3	44.8	-
Employees & Workmen	1	0.06	0.06	-	-
Authorised Representative of Employee & Workmen	-	-	-	-	-
Others	-	-	-	-	-
<b>Total Claims Received</b>	<b>31</b>	<b>1,573.76</b>	<b>1,307.76</b>	<b>122.66</b>	<b>-</b>

# Historical Financials

Assets (INR cr)	31 Dec 20	31 Mar 20
<b>Non-Current Assets (A)</b>	<b>152.10</b>	<b>157.51</b>
Property Plant and Equipment	16.73	16.85
Loans	1.40	1.40
Intangible Assets	-	-
Deferred Tax Assets	70.29	75.58
Investments	63.65	63.65
Other Financial Assets	0.03	0.03
<b>Current Assets (B)</b>	<b>264.46</b>	<b>276.69</b>
Loans	120.20	120.19
Trade Receivables	47.67	45.95
Cash and Cash Equivalents	0.23	0.90
Other Bank Balances	0.15	0.12
Other Current Financial Assets	60.79	59.35
Other Current Assets	35.42	13.50
<b>Total Assets (A+B)</b>	<b>416.55</b>	<b>434.20</b>

Liabilities (INR cr)	31 Dec 20	31 Mar 20
<b>Equity (C)</b>	<b>(916.46)</b>	<b>(771.26)</b>
Equity share capital	30.25	30.25
Other Equity	(946.70)	(801.51)
<b>Borrowings (D)</b>	<b>0.03</b>	<b>0.03</b>
<b>Current liabilities (E)</b>	<b>1,332.98</b>	<b>1,205.46</b>
Trade Payables	47.74	48.05
Other Current Liabilities	9.51	10.12
Other Current Financial Liabilities	1,043.82	927.50
Provisions	0.19	0.19
Borrowings	231.72	219.57
<b>Total Liabilities (C+D+E)</b>	<b>416.55</b>	<b>434.20</b>

Profit & Loss (INR cr)	31 Dec 20	31 Mar 20
<b>Total Revenue</b>	<b>37.77</b>	<b>151.17</b>
<b>Total Expenses</b>	<b>31.17</b>	<b>429.84</b>
<b>EBITDA</b>	<b>6.59</b>	<b>(278.67)</b>
<b>Profit before tax (PBT)</b>	<b>(145.19)</b>	<b>(1,025.76)</b>



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