

Ref: ML/SE/2019-20/74



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: Outcome of Board Meeting

Dear Sir,

This is to inform you that the Board of Directors of the Company at its meeting held today, has inter-alia, approved the following:

1. Audited Consolidated Financial Results of the Company for the quarter/year ended March 31, 2019 along with Auditors Report;
2. Unaudited Consolidated Financial Results of the Company for the quarter ended June 30, 2019 along with Limited Review Report and
3. Unaudited Financial Results (Standalone & Consolidated) of the Company for the quarter ended September 30, 2019 along with Limited Review Report.

The meeting of the Board of Directors was commenced at 2.00 P.M. and concluded at 11:59 P. M.

Please acknowledge.

Thanking you,

Yours faithfully,

For **Mercator Limited**

Rajendra Kothari
CFO & Compliance Officer



Encl: as above

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 Quarter Ended June 30, 2019

(Rs. in crore)

	Particulars	Consolidated			
		Quarter ended			Year Ended
		30-Jun-19	31-Mar-19	30-Jun-18	31-Mar-19
		Unaudited	Unaudited	Unaudited	Audited
1	Income				
	(a) Revenue from operations	145.71	176.10	183.08	867.35
	(b) Other income	0.90	1.68	23.76	166.87
	Total Income	146.61	177.78	206.84	1,034.22
2	Expenses				
	(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
	Total expenses	288.43	396.57	235.34	1,437.30
3	Profit/(loss) from operations before exceptional items and tax (1-2)	(141.82)	(218.79)	(28.50)	(403.08)
4	Exceptional items	(106.99)	(97.16)	-	(108.89)
5	Profit/(loss) before tax from Continuing Operations (3 - 4)	(248.81)	(315.95)	(28.50)	(511.97)
6	Tax expense				
	Current tax (including earlier year adjustment)	(4.98)	(7.33)	(39.77)	(33.24)
	Deferred tax (net)	-	0.87	(2.12)	0.76
7	Net profit/(loss) after tax from Continuing Operations (5 - 6)	(253.79)	(322.41)	(70.39)	(544.45)
	Discontinued Operation				
	Net profit/(loss) before tax from discontinued Operations	(2.75)	(27.89)	(14.75)	(334.67)
	Tax (expenses) / benefit of discontinued operations	-	-	-	-
8	Net profit/(loss) after tax from Discontinued Operations	(2.75)	(27.89)	(14.75)	(334.67)
9	Net profit/(loss) after tax	(256.54)	(350.30)	(85.14)	(879.12)
10	Items that will not be reclassified to statement of profit and loss				
	Remeasurement gains /(loss) of defined benefit plans	(0.03)	0.01	1.33	(0.05)
	Total Other comprehensive income /(loss)	(0.03)	0.01	1.33	(0.05)
11	Total comprehensive income /(loss) for the period/year (comprising profits and other comprehensive income for the period/year) (9+10)	(256.57)	(350.29)	(83.81)	(879.17)
12	Profit /(Loss) attributable to for the period (net of tax)				
	Owners of the company	(263.17)	(380.94)	(92.35)	(908.64)
	Non controlling interest	6.63	30.64	7.21	29.52
13	Other comprehensive income/ (loss) for the year (net of tax)				
	Owners of the company	(0.03)	0.01	1.33	(0.05)
	Non controlling interest	-	-	-	-
14	Total Comprehensive Income /(Loss) for the period / year attributable to				
	Owners of the company	(263.20)	(380.93)	(91.02)	(908.69)
	Non controlling interest	6.63	30.64	7.21	29.52
15	Paid up equity share capital (FV of Re.1 per share)	30.25	30.25	30.25	30.25
16	Basic and Diluted earnings per equity share from continuing operations	(8.61)	(11.67)	(2.73)	(18.98)
17	Basic and Diluted earnings per equity share from discontinued operations	(0.09)	(0.92)	(0.49)	(11.06)
18	Basic and Diluted earnings per equity share from continuing and discontinued operations	(8.70)	(12.59)	(3.22)	(30.04)



MERCATOR LIMITED

Regd. Office: 83-87, 8th Floor, Mittal Tower, B-wing, Nariman Point, Mumbai-400021. Tel: 022-66373333

Unaudited Financial Results For Quarter Ended June 30, 2019

SEGMENTWISE CONSOLIDATED REVENUE RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER JUNE, 30 2019

(Rs in crore)

Particulars	Quarter Ended			Year Ended
	30-Jun-19	31-Mar-19	30-Jun-18	31-Mar-19
	(Unaudited)	Audited	(Unaudited)	Audited
1. Segment Revenue (net sale/income from each segment should be disclosed under this head)				
(a) Shipping	30.09	54.75	55.24	311.96
(b) Coal (Mining, Procurement and Logistics)	113.86	131.27	115.24	534.89
(c) Others	1.76	(9.92)	12.60	20.50
Net sales/Income From Operations	145.71	176.10	183.08	867.35
2. Segment Results Profit/(Loss) before tax from each segment				
(a) Shipping	(116.28)	(72.22)	(1.21)	(201.82)
(b) Coal (Mining, Procurement and Logistics)	14.49	(73.08)	31.82	(101.76)
(c) Others	(222.97)	(31.32)	(8.70)	54.20
Less: Interest	(31.05)	(42.17)	(38.68)	(153.70)
Less: Exceptional items	(106.99)	(97.16)	(11.73)	(108.89)
Total Profit / (Loss) Before Tax from Continuing Operations	(248.81)	(315.95)	(28.50)	(511.97)
Net profit/(loss) before tax from discontinued Operation	(2.75)	(27.89)	(12.99)	(334.67)
Total Profit / (Loss) Before Tax	(251.56)	(343.84)	(41.49)	(846.64)
3. Segment Assets				
(a) Shipping	644.54	774.03	1,284.38	774.03
(b) Coal (Mining, Procurement and Logistics)	640.32	627.24	881.73	627.24
Total Segment Assets	1,284.86	1,401.27	2,166.11	1,401.27
Unallocable Assets	584.69	596.80	565.71	596.80
Discontinued operation	3.85	194.06	511.50	194.06
Total Assets	1,873.40	2,192.13	3,243.32	2,192.13
4. Segment Liabilities				
(a) Shipping	1,135.11	1,280.25	1,085.65	1,280.25
(b) Coal (Mining, Procurement and Logistics)	279.85	345.90	516.64	345.90
Total Segment Liabilities	1,414.96	1,626.15	1,602.29	1,626.15
Unallocable Liabilities	683.50	518.66	408.77	518.66
Discontinued operation	0.34	13.42	256.24	13.42
Total Liabilities	2,098.80	2,158.23	2,267.30	2,158.23



MERCATOR LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIALS FOR THE QUARTER ENDED JUNE 30, 2019

1. The Consolidated financial results of the Company including subsidiaries (herein referred to as "Group") for quarter and year ended June 30, 2019 have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on November 13, 2019. The Standalone financial results for the quarter ended June 30, 2019 were earlier reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on August 13, 2019.
2. In view of the shareholders' related disputes as detailed in Note No 6(ii), the audit of the financial statements of the Indonesian material step down subsidiary was held up resulting in delay in adoption of audited consolidated financial statements.
3. The financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("IND AS") prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016.
4. The figures for the quarter ended March 31, 2019 are balancing figure between audited figures in respect of full financial year and published year to date figure up to the third quarter of relevant financial year.
5. Effective April 1, 2019, the Company has adopted IND-AS 116 "Leases" on all material lease arrangement existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment amounting to Rs. 0.34 crores to retained earnings, on the date of initial application. Accordingly comparatives for the year ended March 31, 2019 have not been adjusted. The above approach has resulted in recognition of a right-of-use asset of Rs.0.87 crore and a lease liability of Rs.0.53 crore on the date of initial application. The effect of IND AS 116 on the loss before tax, loss for the quarter and earnings per share is not material.

With regards to application at overseas subsidiaries, IFRS 16 is applicable since 01.01.2020 and it is estimated that company does not have any operating lease generating long term right to use so as to have impact on financials and hence no material impact has been envisaged. Thus, cumulative impact if any, will be made in the year-end audited financials.

6. The Auditors have drawn attention to the following matters and have expressed a Disclaimer of Conclusion:

Going Concern:

- i. The financial statement have been prepared on a going concern basis. The Group has incurred significant losses and its net worth is substantially eroded in addition to defaults with lenders and credit downgrades. The current liabilities substantially exceeds the current assets and large sums of money are in disputed receivables which are not readily realisable. The management is making its best efforts to achieve resolution with the lenders, to restructure its business activities and to achieve favourable order in the ongoing litigations in order to protect the value



of its assets. In view of these efforts, the management feels that the going concern basis of preparation of financial statements is appropriate.

- ii. In case of a material step-down subsidiary, PT Karya Putra Borneo (KPB) - Operating Coal mines in Indonesia, a minority shareholder has raised a frivolous claim with respect to the entire shareholding of the said subsidiary Company. The subsidiary has contested the same and as on date of reporting, the State Administrative Court has given verdict in favour of the existing shareholders. However, the minority shareholder has preferred an Appeal against the said order and the matter is still pending. The mining site and corporate office are in possession of existing management and business operations are continuing smoothly.

If the claim of said minority shareholder holds valid, the Company is exposed to risk of loss of net assets to the tune of Rs 290.82 Crore (USD 42.20 Mn) as on June 30, 2019.

- iii. Current Tax Assets (net) as on March 31, 2019 includes Rs. 58.47 Crore (Net of Provision of Rs.52.79 Crore) which has not been settled due to ongoing tax assessment for the various Assessment Years up to AY 2015-16 against which net tax demand of Rs.63.18 Crore has been received and contested by the Company. Considering the various judicial pronouncements and submissions made so far, the management is hopeful of a favourable outcome of these pending litigations.
- iv. In October, 2019, one of the subsidiary has received a notice from the Ministry of Petroleum and Natural Gas (MOPNG) for termination of Production Sharing Contract (PSC) for one of its non-operative oil Block and has demanded costs and other dues to be determined as per terms and conditions of PSC. The subsidiary is confident of defending the amounts claimed by DGH. In case of rejection of Company's contention, the estimated financial impact would be to the tune of Rs.74.81 Crore.

7. Termination of SSCP project contract by ONGC

Mercator Oil & Gas Limited ('MOGL'), a subsidiary of the Company engaged in EPC project awarded by ONGC for conversion of their Mobile Offshore Drilling Unit (MODU) 'Sagar Samrat' into a Mobile Offshore Production Unit (MOPU). On September 25, 2018, MOGL received a notice of termination from ONGC for Sagar Samrat Conversion Project after completing almost 96% of the project. MOGL has since then initiated arbitration proceedings against ONGC and appointed its arbitrator and a tribunal has been formed.

Subsequent to the reporting period, based on the order of Hon'ble Bombay High Court dated July 29, 2019 ONGC has invoked Bank Guarantee and has accordingly provided for an amount of Rs. 106.99 Crore. In view of the management which is supported by the legal opinion, the claim made by the Company on ONGC holds good and no adverse impact is envisaged on financial statements.

8. The Company has an insurance claim amounting to Rs. 54.28 Crore, pertaining to total loss claim on a vessel pertaining to the year 2012-13, which has been considered fully recoverable by the management and is supported by a legal opinion.



9. During the year ended March 31, 2019, financial lender of a step down foreign subsidiary had invoked Letter of Comfort (LOC) amounting to Rs. 244.61 Crore (USD 35.20 Mn), which had resulted in a claim of debt on the Parent Company as on March 31, 2019. The Sale proceeds of Rs. 174.47 Crore (USD 25.22 Mn) from sale of vessel "Nerissa" received on April 26, 2019.

Correspondingly, the Company had contracted for sale of vessel "Nerissa" in March 2019 at agreed price of Rs 197.14 Crore (USD 28.50 Mn) (Gross) and the same had been concluded in April 2019. The said asset was accordingly classified as "Non-Current Asset held for sale" as at March 31, 2019 and resultant impairment loss of Rs. 301.86 Crore (USD 43.14 Mn) was recognised and included under "Net profit/(loss) before tax from discontinued operations" in the financial results of March 31, 2019. Financial Performance of the discontinued operation (as per IND AS 105) is as stated below:

Particulars	Quarter ended			Rs. In Crore
	30-Jun-19	31-Mar-19	30-Jun-18	Year ended
	Unaudited	Unaudited	Unaudited	31-Mar-19 Audited
Revenue	-	14.88	7.19	47.01
Less:				
Operating Cost	2.67	6.93	4.92	22.55
Depreciation	-	0.05	7.27	20.56
Impairment loss on classification of asset as Non-Current Asset held for sale	-	33.21	-	301.86
Finance Cost	-	11.38	7.98	37.05
Administrative Expenses	0.01	9.21	0.01	9.26
Profit / (Loss) Before tax	(2.67)	(45.91)	(12.99)	(344.29)

10. Based on the management's decision to dispose off its fleet of dredgers (subject to consent from lenders) and carry on dredging business on asset light model, the Company has evaluated the impairment on these dredgers & certain ships and accordingly provided an impairment loss of Rs 111.16 Crore and Rs 217.73 Crore during quarter ended June 30, 2019 and September 30, 2019 respectively.
11. During the year ended March 31, 2019, the Group has conducted a specific detailed evaluation of its receivables and payables and has provided for old overdue receivables and advances given, which amount to Rs. 222.28 Crore in "Other Expenses". The Group has also written back Rs. 157.93 Crore which primarily includes the liability written back on account of liquidation completion of two of our step down subsidiaries and creditors, in "Other Income".
12. The Company had issued FCCBs aggregating to US\$ 16,000,000 (Rs. 110.27 Crore) during the Financial Year 2014-15. The FCCBs along with the premium fell due for redemption on May 27, 2019. In view of the significant decline in the trading price of the Equity Shares of the Company, the bondholder and the Company have agreed to restructure the initial terms of the FCCBs. The Company has entered into a Term Sheet with Bondholders, which has also been approved by the Reserve Bank of India, to restructure the FCCB's with following terms:



- i. Maturity date of the FCCB's has been extended from May 27, 2019 to May 27, 2022 or such date as may be agreed by the Parties.
- ii. The Conversion Price of the FCCB's has been reset from Rs. 38.30 per share to Rs.10 per share (with a fixed rate of exchange on conversion of Rs. 58.5740 per USD)
- iii. Earlier coupon of 4.75% per annum payable annually has been changed to 5.75% compounded annually.
- iv. The Company shall provide as security for the existing FCCBs a charge over "Yukti Prem".
- v. Also, Put/Call/ Conversions options at various time frames and upon occurrence of certain events has been provided to respective parties.

13. Credit Rating Downgrade and Default / Delay in repayment of loan interest / installments

During the year, Credit Analysis & Research Limited (CARE) had downgraded the rating assigned to the Company for short term credit facilities from CARE A4 to CARE D, which was again revised on 11th July 2019 from CARE D to CARE D (ISSUER NOT COOPERATING).

Further, in respect of Loans outstanding aggregating to Rs. 1642.20 Crore as on June 30, 2019 the Company and certain of its Indian / foreign subsidiaries have committed breach of financial covenants including default in interest and instalment payments due to various Banks / financial institutions which are still continuing. Till October 2019, certain lenders have recalled their Loans aggregating to Rs. 662.28 Crore.

In addition to above on cumulative basis, certain Non-Banking Finance Companies (NBFC) have invoked 28,071,304 shares of the promoters pledged with them aggregating to Rs. 12.67 Crore. The promoters have sought for compensation from the Company amounting to Rs.3.16 Crore, on the basis of the closing traded price for the last two trading days on a mark to market basis as on the reporting date.

14. Subsequent Event Disclosures

- a. Board of Directors of the Company has approved sale of vessels namely FSO Prem Pride and MT Prem Mala and postal ballot approval by the shareholders of the Company for making such sale has been obtained on November 11, 2019. Other necessary approvals are in the process.
- b. On August 31, 2019, TSHD Tridevi Prem (written down value of Rs 6.71 Crore) has developed leak and capsized at New Mangalore anchorage.
- c. Certain cases have been filed by operational creditors in National Company Law Tribunal (NCLT) against the Company and its few subsidiaries in India. No claim has been admitted yet and the hearing are in process.



15. The results for the quarter and year ended June 30, 2019 are available on the BSE Ltd website www.bseindia.com, National Stock Exchange of India Limited website www.nseindia.com and the Company's website www.mercator.in
16. Figures of previous periods have been regrouped / reclassified wherever necessary to conform to current period classification.

For **MERCATOR LIMITED**



H K MITTAL
EXECUTIVE CHAIRMAN



Place: Mumbai

Date: November 13, 2019

Limited Review Report on Unaudited Quarterly Consolidated Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**To the Board of Directors
Mercator Limited**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Mercator Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended June 30, 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement include the results of the subsidiaries as per Annexure A attached

Basis for Disclaimer of Conclusion:

5. We draw attention to below referred Notes of the Unaudited Consolidated financial results :
 - i) Note 6 (i) regarding the preparation of the statement on going concern basis, for the reason stated therein. Consequently, the assets and liabilities are being carried at their book value .The Group has accumulated losses and has also incurred significant losses during the period resulting in substantial erosion of its net worth, in addition to defaults with lenders and credit downgrade and inability to meet its current liabilities which substantially exceeds its current assets. As on date, the Group has substantial disputed receivables, which are not readily realizable to service the Group's current liabilities. These conditions indicate the existence of an uncertainty that may cast a doubt on the Group's ability to continue as going concern. The appropriateness of assumption of going concern, and evaluation of recoverable value of its current assets is dependent upon the resolution of the debt of the Group, the Group's ability to raise requisite finance, achieve favourable orders in various ongoing litigations and generate cash flows in future to meet its obligations and to earn profits in future and currently there is not enough evidence to support this view.



- ii) Note 6 (ii) regarding ongoing litigation in respect of ownership of a material step down Indonesian subsidiary. Should the claim by the minority shareholder of the step down subsidiary hold valid, the Company is exposed to loss of ownership with net exposure of Rs.290.82 Crore (USD 42.20 Mn) as at the reporting date.
- iii) Note 6(iii) regarding unprovided Current tax demands under dispute to the tune of Rs.63.18 Crore pending at various judicial forums of the Income Tax Department.
- iv) Note 6 (iv) regarding notice received by a subsidiary from the Ministry of Petroleum and Natural Gas (MOPNG) for termination of Production Sharing Contract (PSC) for one of its non-operative oil Block and has demanded costs and other dues to be determined as per terms and conditions of PSC. In case the subsidiary's stand is not accepted by the Ministry, the estimated financial impact would be to the tune of Rs.74.81 Crore.

Disclaimer of Conclusion :

6. We are unable to express a conclusion on the aforesaid Unaudited Consolidated financial Results of the Group. Because of the cumulative impact and significance of the matters described in the Basis for Disclaimer of Conclusion Section of our Report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for a conclusion as to whether the accompanying statement of unaudited consolidated financial results is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Circular No. CIR/CFD/CMDI/44/2019 dated March 29, 2019 ('the Circular').

Emphasis of Matters:

7. We draw your attention to the following matters :
 - i) Note 7 of the Statement regarding termination of Sagar Samrat Conversion Project (SSCP) contract undertaken by a subsidiary Mercator Oil and Gas Ltd. by ONGC and invocation of certain bank guarantees by ONGC. The matter is currently under dispute. However, reported financials will have an adverse impact of Rs. 204.61 Crore on net assets in case the arbitration petition is decided against the subsidiary.
 - ii) Note 8 of the Statement regarding receivable from an insurance company amounting to Rs. 54.28 Crore, pertaining to total loss claim on a vessel pertaining to the year 2012-13, which has been considered fully recoverable by the management and is supported by a legal opinion.

Our opinion is not modified in respect of the above matters.

Other Matters:

8. We did not review the interim financial statements of 4 subsidiaries included in the consolidated unaudited financial results, whose interim financial statements reflect total assets of Rs. 1016.67 Crore as at June 30, 2019 and total revenues of Rs. 108.77 Crore , and total net profit/(loss) after tax of Rs.(146.45) Crore and total comprehensive income / loss of Rs. (145.42) Crore for the quarter ended June 30, 2019, as considered in the consolidated unaudited financial results. These interim financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.



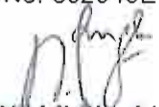
9. The consolidated unaudited financial results includes the interim financial information of 21 subsidiaries which have not been reviewed/audited by their auditors, whose interim financial information reflect total assets of Rs. 300.56 Crore as at June 30,2019 and total revenue of Rs. 4.28 Crore, total net profit/(loss) after tax of Rs. (2.90) Crore and total comprehensive income / loss of Rs. (2.90) Crore for the quarter ended June 30,2019, considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, financial results of these entities are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matters.

Place: Mumbai
Date: November 13, 2019
UDIN: 19061567AAAAAN9726



For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E


Nikhil Singhi

Partner
Membership No. 061567

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

A) Subsidiaries (held directly)

- 1 Mercator Oil & Gas Ltd
- 2 Mercator Petroleum Ltd
- 3 Oorja Resources India Pvt Ltd
- 4 Mercator Dredging Pvt Ltd (Formerly Mercator FPSO Pvt Ltd)
- 5 Mercator International Pte Ltd
- 6 Mercator Oceantransport Limited

B) Subsidiaries (held indirectly)

- 7 Offshore Holding Company Pte Ltd
- 8 Oorja Holdings Pte Ltd
- 9 Mercator Energy Pte Ltd
- 10 Mercator Offshore Assets Holding Pte Ltd
- 11 Panther Resources Pte Ltd
- 12 Oorja (Batua) Pte Ltd
- 13 Oorja 1 Pte Ltd
- 14 Oorja 2 Pte Ltd
- 15 MCS Holdings Pte Ltd
- 16 PT Karya Putra Borneo
- 17 PT Indo Perkasa
- 18 Oorja Indo Petangis Four (Indonesia)
- 19 Oorja Indo Petangis Three (Indonesia)
- 20 Oorja Indo KGS (Indonesia)
- 21 PT BimaGema Permata
- 22 Marvel Value International Limited
- 23 Mercator Offshore (P) Pte Limited
- 24 Oorja Mozambique Minas Lda
- 25 Broadtec Mozambique Minas Lda

