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December 13, 2017

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: Unaudited Standalone Financial Results for the quarter/half year ended September 30, 2017

Dear Sir,
This is to inform you that the Board of Directors of the Company at its meeting held today, has inter alia; approved Unaudited Standalone Financial Results and Limited Review Report for the quarter ended September 30, 2017. Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit the following documents

1. Statements showing the Unaudited Standalone Financial Results for the quarter/half year ended September 30, 2017;
2. Limited Review Report on the Unaudited Standalone Financial Results for the quarter/half year ended September 30, 2017.

The unaudited Consolidated Financial Result for quarter ended 30th September 2017 has not been published in lieu of non-availability of limited review financial information from statutory auditor of step down subsidiaries situated at Indonesia on account of disruption in operations of aforesaid subsidiaries. Such material event has happened due to change in senior management of said step down subsidiaries which has occurred into certain legal proceedings and are presently sub-judice at various forums. Company has already informed about the same vide announcement dated 7th December 2017.

Further, in pursuance of announcement vide letter dated August 14, 2017, the Board has approved formation of a wholly owned subsidiary in India.

The meeting of the Board of Directors commenced at 7.00 p.m. and concluded at 9.40 p.m.

Please acknowledge.
Thanking you,

Yours faithfully,
For **Mercator Limited**

Suhas Pawar
Company Secretary
Encl: as above

MERCATOR LIMITED MUMBAI

MERCATOR LIMITED
(CIN : L63090MH1983PLC031418)
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MERCATOR
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Mercator Limited

CIN NO : L63090MH1983PLCO31418

Regd. Office: 3rd Floor, Mittal Tower, B-wing, Nariman Point, Mumbai-400021. Tel: 022-66373333

Unaudited Standalone Financial Results For Quarter and Half Year Ended September 30, 2017

Rs. in lakhs

	Particulars	Quarter ended			Half Year Ended		Year ended
		30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16	31-Mar-17
		Unaudited (Reviewed)	Unaudited (Reviewed)	Unaudited (Reviewed)	Unaudited (Reviewed)	Unaudited (Reviewed)	Audited
1	**Income**						
	(a) Revenue from operations	9,875.76	9,697.61	13,327.76	19,573.37	25,991.82	53,833.15
	(b) Other income (net)	211.63	235.14	15.50	446.77	30.50	669.38
	Total Income	**10,087.39**	**9,932.75**	**13,343.26**	**20,020.14**	**26,022.32**	**54,502.53**
2	**Expenses**						
	(a) Cost of service rendered	6,377.15	5,990.56	8,910.65	12,367.71	14,886.67	30,692.98
	(b) Employee benefits expense	478.16	389.14	306.86	867.30	735.00	1,501.32
	(c) Finance costs	2,055.18	1,976.07	1,943.51	4,031.25	3,714.15	7,565.44
	(d) Depreciation and amortisation	4,406.62	4,199.86	4,079.99	8,606.48	7,294.78	14,727.65
	(e) Other expenses	279.37	685.05	780.35	964.42	1,526.50	2,054.06
	Total expenses	**13,596.48**	**13,240.68**	**16,021.36**	**26,837.16**	**28,157.10**	**56,541.45**
3	**Profit /(loss) from operations before exceptional items and tax**	**(3,509.09)**	**(3,307.93)**	**(2,678.10)**	**(6,817.03)**	**(2,134.78)**	**(2,038.92)**
4	Exceptional items	-	-	-	-	-	915.62
5	**Profit/(loss) before tax (3 - 4)**	**(3,509.09)**	**(3,307.93)**	**(2,678.10)**	**(6,817.03)**	**(2,134.78)**	**(2,954.54)**
6	Tax expense						
	Current tax	(26.00)	(24.00)	(27.00)	(50.00)	(55.00)	(100.00)
	Deferred tax (net)	-	-	-	-	-	-
7	**Net profit /(loss) after tax (5 - 6)**	**(3,535.09)**	**(3,331.93)**	**(2,705.10)**	**(6,867.03)**	**(2,189.78)**	**(3,054.54)**
	Other comprehensive income/(expenses) net of tax						
	Items that will not be reclasified to statement of profit and loss						
	Remeasurement gains /(loss) of defined benefit plans	2.04	(16.73)		(14.69)		(60.85)
8	**Other comprehensive income**	2.04	(16.73)		(14.69)		(60.85)
9	**Total comprehensive income for the period**	(3,533.05)	(3,348.66)	(2,705.10)	(6,881.72)	(2,189.78)	(3,115.39)
10	**Paid up equity share capital (FV of Re.1 per share)**	2,698.92	2,698.92	2,448.92	2,698.92	2,448.92	2,698.92
11	**Paid up debt capital**				10,000.00	15,000.00	10,000.00
12	**Other equity**						79,462.06
13	**Basic and diluted earnings per share**	(1.31)	(1.24)	(1.10)	(2.55)	(0.89)	(1.15)
14	**Debeture redemption reserve**				2,500.00	3,750.00	2,500.00
15	**Capital redemption reserve**				4,000.00	4,000.00	4,000.00
16	**Net worth**				61,537.28	62,400.37	68,581.42
17	**Debt equity ratio**				1.41	1.44	1.23
18	**Debt service coverage ratio (DSCR)**				1.00	1.27	1.11
19	**Interest service coverage ratio (ISCR)**				1.44	2.39	2.56

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

MERCATOR LIMITED ★ MUMBAI ★

Mercator Limited

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, 2017

Rs. in lakhs

	Particulars	STANDALONE	
		As at 30-Sep-2017	As at 31-Mar-2017
		Unaudited (Reviewed)	Audited
A	**ASSETS:**		
1	**Non-current assets:**		
	a) Property, plant and equipment	93,713.19	105,378.58
	b) Investment property	117.54	125.30
	c) Investment in subsidiaries	4,844.87	4,644.87
	d) Financial assets		
	i) Investments	0.12	0.12
	ii) Loans	33,480.25	28,571.92
	iii) Other financial assets	404.12	250.52
	e) Other non-current assets	4,581.98	5,305.32
	f) Income tax assets (net)	12,876.55	12,478.24
		150,018.62	**156,754.87**
2	**Current assets:**		
	a) Inventories	1,188.37	1,014.94
	b) Financial assets		
	i) Trade receivables	13,731.70	17,429.21
	ii) Cash and cash equivalent	1,978.90	3,646.24
	iii) Bank balances other than cash and cash equivalents	3,121.24	3,221.05
	iv) Loans	6,466.52	6,504.36
	v) Other financial assets	7,888.28	6,954.04
	c) Other current assets	5,357.40	3,968.99
	d) Non current asset held for sale	6,361.97	-
		46,094.38	**42,738.83**
	TOTAL ASSETS	**196,113.00**	**199,493.70**
B	**EQUITY AND LIABILITIES:**		
1	**Equity:**		
	a) Equity share capital	2,698.92	2,698.92
	b) Other equity	72,032.48	79,462.06
		74,731.40	**82,160.98**
2	**Non-current liabilities:**		
	a) Financial liabilities		
	i) Borrowings	72,261.75	75,853.65
	ii) Other financial liabilities	18.00	18.00
	b) Provisions	242.55	178.97
		72,522.30	**76,050.62**
3	**Current liabilities:**		
	a) Financial liabilities		
	i) Borrowings	12,630.23	8,345.65
	ii) Trade payables	14,104.88	12,746.82
	iii) Other financial liabilities	21,017.86	19,191.70
	b) Other current liabilities	1,089.19	883.86
	c) Provision	17.14	114.07
		48,859.30	**41,282.10**
	TOTAL EQUITY AND LIABILITIES	**196,113.00**	**199,493.70**

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Notes:

1. These results have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on December 13, 2017. Limited review as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the quarter ended September 30, 2017 has been carried out by the Statutory Auditors of the Company, M/s Singhi & Co., Chartered Accountants. Results for earlier periods were reviewed / audited by erstwhile statutory auditors.

2. The financial results have been prepared in accordance with the recognition and measurement principals 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.

3. Subsequent to September 30, 2017 the Company has issued and allotted 325,67,262 Equity Shares of face value of Re. 1/- each at an issue price of Rs. 44.65 per share to raise Rs. 14,541.28 lacs by way of Qualified Institutional Placement ("QIP") under the Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Section 42 of the Companies Act 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities Rules, 2014).

4. During the quarter, Credit Analysis & Research Limited (CARE) has upgraded the rating assigned to the Company for long term credit facilities from CARE BBB (under credit watch with developing implications) to CARE BBB+; Stable and also reaffirmed rating assigned to short term credit facilities to CARE A3+.

5. The listed non-convertible debentures of the Company aggregating to Rs. 10,000 lacs outstanding as on 30th September 2017 are secured by exclusive charge on two vessels with the asset cover not less than one hundred percent. The interest on these debentures is payable on 4th May and 4th November every year and has been paid on respective due dates. Principal is payable on 4th November every year. The principal installment of Rs. 5,000 lacs due for payment on November 4, 2017 has been paid on due date. The debentures are fully redeemable on November 4, 2018.

6. During the quarter, the Company has entered in an agreement to sale of Dry Bulk Carrier "M.T. Sri Prem Poorva", built in 1994 vide MOA dated September 27th, 2017 which has been delivered / sold to the buyer on October 7th 2017 This has been classified as asset held for sale as on September 30, 2017. Subsequent to the end of the quarter, management has also entered in agreement to sale of another Tanker "M.T. Harsha Prem" built in 1993 vide MOA dated October 25th 2017.

7. The shareholders of the Company has approved dividend of Rs. 0.05 per shar e for the year ended March 31, 2017 in the Annual General Meeting held September 15, 2017. Accordingly, the Company has paid dividend of Rs. 162.42 Lacs (including dividend distribution tax of Rs. 27.47 Lacs) during the quarter ended September 30, 2017.

MERCATOR LIMITED MUMBAI

8. From the previous quarter ended June 30, 2017 the Company has opted for submission of consolidated Ind AS financial results under Regulation 33(3)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As disclosed in our announcement dated 7th December 2017 for Disclosure under Regulation 30 of SEBI (Listing and Disclosure Requirements), Regulations, 2015 as amended ("Listing Regulations") for below matter –

   a. The senior management of our step down subsidiaries in Indonesia (the "Indonesian Entities") has been changed by our Company which has led to temporary disruption of our activities in Indonesia; and
   b. Certain proceedings have been filed by the Company in Singapore and Indonesia against some of the aforementioned erstwhile senior management of the Indonesian Entities who have in turn initiated various proceedings against some of our step down subsidiaries and some of our executives. The said litigations are presently sub judice at various forums;

   c. Disruption of our operations in Indonesia has led to non-receipt of reviewed financial information from the aforementioned Indonesian Entities for the quarter and half year ended September 30, 2017.

   Hence, the Company is unable to submit consolidated Ind AS financial results, in the absence of financial information from stepdown subsidiaries (the "Indonesian Entities") for the quarter and half year ended September 30, 2017. The Company has already initiated steps to resume the operations of the aforementioned Indonesian Entities to ensure smooth operations at the earliest possible and to obtain financials *to publish the consolidated Ind AS financial results to ensure compliance*. This has also been referred to in the Limited Review Report of the Statutory Auditors.

9. Segment Reporting has been done in compliance with Ind AS 108, 'Operating Segments'. For this purpose the Company is submitting limited review report on standalone basis and accordingly there is only one major identifiable segment i.e. shipping.

10. Figures of previous periods have been regrouped / reclassified wherever necessary to confirm to current period classification.

11. The results for the quarter ended September 30, 2017 are available on the BSE Ltd website www.bseindia.com, National Stock Exchange of India Limited website www.nseindia.com and the company website www.mercator.in.

For Mercator Limited

MERCATOR LIMITED ★ MUMBAI ★

H. K. Mittal
Executive Chairman
DIN:00007690

Date: December 13, 2017
Place: Mumbai

Singhi & Co.
Chartered Accountants

B2 402 B, Marathon Innova, 4th Floor, Off Ganpatrao Kadam Marg, Opp. Peninsula Corporate Park, Lower Parel, Mumbai - 400 013. India
Tel : +91 (0) 22-6662 5537 / 38 E-mail : mumbai@singhico.com website : www.singhico.com

LIMITED REVIEW REPORT

TO THE BOARD OF DIRECTORS OF
Mercator Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Mercator Limited ("the Company") for the quarter and half year ended September 30, 2017 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. The preparation of the Statement 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 Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/ CFD/ FAC/ 62/2016 dated July 5, 2016, is the responsibility of Company's management and has been approved by the Board of Directors of the Company. 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 Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity," issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated above, except as stated in Para 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material mis-statement.

5. *We draw attention to Note no. 8 of the financials results, wherein the Company has stated that Consolidated Ind AS Financial Results for the quarter and half year ended September 30, 2017 has not been prepared by the company in view of non availability of information from certain stepdown subsidiaries in Indonesia in lieu of temporary disruptions there, leading to non – compliance of the Regulation 33(3)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the reasons explained therein. In view of this non compliance, the company has disclosed only its unaudited standalone financial results and related information thereon and we are unable to comment on the group financial results or the impact of the ongoing litigation in its subsidiaries.*

SINGHI & CO. ★ Chartered Accountants ★

6. The comparative financial information of the Company for the last quarter ended June 30, 2017, corresponding quarter and half year ended September 30, 2016 were reviewed and for the year ended March 31, 2017 were audited by the predecessor auditor who expressed an unmodified conclusion / opinion on those financial results on August 12, 2017, December 9, 2016 and May 30, 2017 respectively.

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

SINGHI & CO. ★ Chartered Accountants ★

Nikhil Singhi
Partner
Membership No. 061567

Place: Mumbai
Date: December 13, 2017