

## Mercator Limited (Revised)

May 17, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	959.53	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	150.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale & key rating drivers

CARE Ratings Ltd. had, vide its press release dated March 06, 2023 placed the rating(s) of Mercator Limited under the 'issuer non-cooperating' category as Mercator Limited had failed to provide information for monitoring of the rating. Mercator Limited continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 20, 2024, January 30, 2024 and February 09, 2024. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which, however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

The ratings take into account ongoing delays in debt servicing.

### Analytical approach: Consolidated

CARE has analysed ML's credit profile considering the consolidated business profile and financial statements of the company owing to the strong operating and financial linkages between the parent (India operations) and subsidiaries (global operations). Out of the same few have 100% shareholding, few have proportionate shareholding and few have moderate shareholding (as mentioned under Annexure- 6).

**Outlook:** Not Applicable

### Detailed description of the key rating drivers

At the time of last rating on March 06, 2023, the following were the rating strengths and weaknesses (updated for the information available from BSE).

### Key weaknesses

**Delay in servicing of debt obligation:** The ratings consider the ongoing delays in debt servicing owing to the stretched liquidity position.

### Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Rating Outlook and Rating Watch](#)

[Financial ratios - Non-Financial Sector](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Short Term Instruments](#)

[Rating Methodology - Services Sector](#)

[Consolidation](#)

### About the company and industry

#### Industry Classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Diversified	Diversified	Diversified	Diversified

Mercator Limited (ML) along with its subsidiaries is a diversified group engaged in shipping (dry bulk, wet bulk and dredging), gas, coal mining and E&P activities. ML commenced business as a shipping company in 1984 (taken over by present promoters

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

\*Issuer did not cooperate; Based on best available information

in FY1989) and has over the years, through its subsidiaries, diversified into various other sectors like coal mining and logistics, E&P and dredging.

#### Consolidated Financials

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	9MFY24 (UA)
Total operating income	0.00	0.00	0.06
PBILDT	-12.50	-2.29	-7.77
PAT	-19.54	-2.45	-8.43
Overall gearing (times)	-1.23	-1.24	NA
Interest coverage (times)	-0.94	-17.92	-59.77

A: Audited; UA: Unaudited (As published on BSE); NA: Not Available; Note: 'the above results are latest financial results available'.

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Disclosure of Interest of Independent/Non-Executive Directors of CARE:** Not applicable

**Disclosure of Interest of Managing Director & CEO:** Not applicable

**Rating history for the last three years:** Please refer Annexure-2

**Covenants of the rated instruments/facilities:** Not Applicable

**Complexity level of the various instruments rated:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	50.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	July 30, 2016	653.97	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT-Letter of credit	-	-	-	-	255.56	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC	-	-	-	-	150.00	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

#### Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Non-fund-based - ST-BG/LC	ST	150.00	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING*	1)CARE D; ISSUER NOT COOPERATING*

							(06-Mar-23)	(14-Dec-21)
2	Fund-based - LT-Cash Credit	LT	50.00	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (06-Mar-23)	1)CARE D; ISSUER NOT COOPERATING * (14-Dec-21)
3	Fund-based - LT-Term Loan	LT	653.97	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (06-Mar-23)	1)CARE D; ISSUER NOT COOPERATING * (14-Dec-21)
4	Non-fund-based - LT-Letter of credit	LT	255.56	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (06-Mar-23)	1)CARE D; ISSUER NOT COOPERATING * (14-Dec-21)

\*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities:** Not Applicable

#### Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - LT-Letter of credit	Simple
4	Non-fund-based - ST-BG/LC	Simple

#### Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

#### Annexure-6: List of all the entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Mercator Oil and Gas Limited	Full	Subsidiary
2	Mercator Petroleum Limited	Proportionate	Subsidiary
3	Oorja Resources India Private Limited	Full	Subsidiary
4	Mercator Offshore Logistic Private Limited (formerly Mercator Dredging Private Limited)	Full	Subsidiary
5	Mercator Ocean transport Limited	Full	Subsidiary
6	Mercator International Pte. Ltd	Full	Subsidiary
7	Offshore Holding Company Pte Ltd	Full	Subsidiary
8	Oorja Holdings Pte. Ltd	Full	Subsidiary
9	Mercator Energy Pte Ltd	Proportionate	Subsidiary
10	Mercator Offshore Assets Holding Pte Ltd	Proportionate	Subsidiary
11	Mercator Offshore (P) Pte Ltd	Proportionate	Subsidiary
12	Panther Resources Pte Ltd	Full	Subsidiary
13	Oorja (Batua) Pte. Ltd	Full	Subsidiary
14	Oorja 1 Pte. Ltd	Full	Subsidiary
15	Oorja Mozambique Minas Limitada	Full	Subsidiary
16	MCS Holdings Pte. Ltd	Full	Subsidiary
17	PT Karya Putra Borneo	Moderate	Subsidiary
18	PT Indo Perkasa	Moderate	Subsidiary
19	PT Oorja Indo Petangis Four	Full	Subsidiary
20	PT Oorja Indo Petangis Three	Full	Subsidiary
21	Broadtec Mozambique Minas Limiteda	Proportionate	Subsidiary

**Note on the complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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### About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

### Disclaimer:

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