MERCATOR
www.mercator.in

January 10, 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: Corporate Presentation

Dear Sir,

Please find enclosed herewith Corporate Presentation of the Company for your information and record. Same is available on website of the Company i.e www. mercator.in

Thanking you,

Yours faithfully,
For **Mercator Limited**

Deepesh Joishar
Company Secretary

Encl: as above

MERCATOR

Performing Resolutely. Delivering Responsibly.

CORPORATE PRESENTATION

JANUARY 2017

COAL

DREDGING

SHIPPING

OIL & GAS



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MERCATOR ON MAP

MERCATOR
Performing Resolutely. Delivering Responsibly.



Mercator: At a Glance (1/2)

Company Profile

1. Commenced our business in 1983, current Promoters took over our Company in 1988
2. IPO in 1993 with listings on the BSE and NSE. FCCBs issued in 2014 are listed on the SGX.
3. Diversified from being a traditional shipping company and forayed into different business segments
4. Currently an “Energy focussed conglomerate” with operations spread across various geographies both onshore and offshore

Key Lines of Business

1. Dredging – Serves mainly via Maintenance dredging the Major Ports of India
2. Oil & Gas – Exploration & Production, Offshore Operations and EPC
3. Shipping – Wet Bulk, Dry Bulk & Gas carrier
4. Coal – Mining, Trading and 3rd Party logistic Solutions

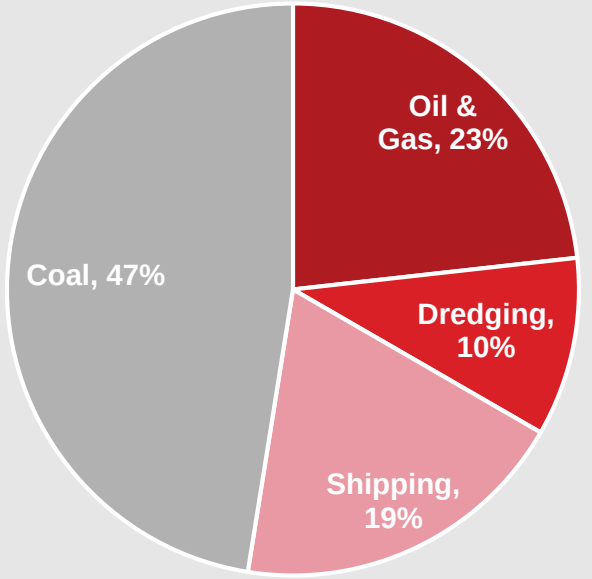
Mercator: At a Glance (2/2)

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MERCATOR

DREDGING	MAJOR PORTS	9 Dredgers
OIL & GAS	OFFSHORE SERVICES	1 MOPU and FSO (Together known as FPU) ℹ
	E&P	2 onshore Blocks In India + 2 Offshore Blocks In Myanmar
SHIPPING	WET BULK	6 Tankers
	DRY BULK	2 Bulkers
	GAS CARRIER	1 VLGC
COAL	MINING	3 Mining licenses in Indonesia, And★ 1 Mining license in Mozambique
	TRADING	
	LOGISTIC SOLUTIONS	Haul Road, Crushing And Loading Operations, Jetty

FY16 Revenue Contribution



ℹ *LOI signed on 28th November 2016 for sale of FPU*

★ *1 mine in Indonesia is operational, 2 are non-operational as most of the resources have been mined*

Our Value Creation Journey

1983
Mercator Ltd incorporated

1993
IPO; Listed on BSE

1995
Built 5 dumb barges and 2 self propelled tanker barges

1998-2003
Acquired six tankers and four Aframaxes

2007
Awarded 2 Oil blocks in India

2007
Forayed into dredging and acquired 2 dredgers

2007
Acquired coal mines in Indonesia and Mozambique

2009
Commenced coal operation in Indonesia

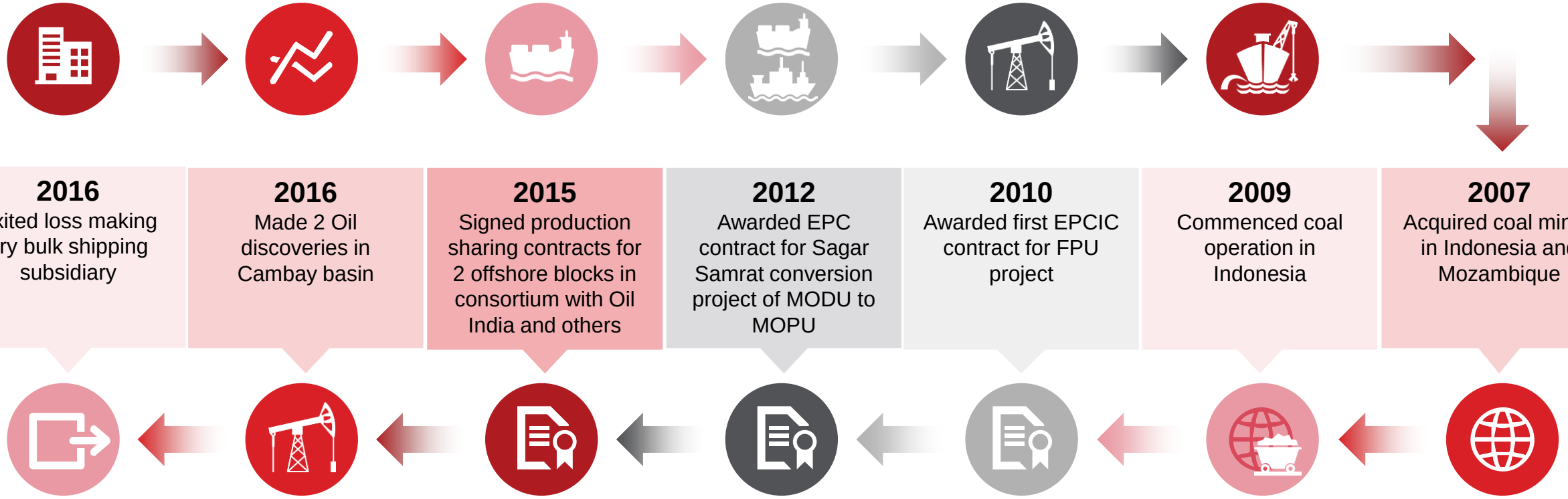
2010
Awarded first EPCIC contract for FPU project

2012
Awarded EPC contract for Sagar Samrat conversion project of MODU to MOPU

2015
Signed production sharing contracts for 2 offshore blocks in consortium with Oil India and others

2016
Made 2 Oil discoveries in Cambay basin

2016
Exited loss making dry bulk shipping subsidiary



Board of Directors



Mr. H. K. Mittal - Executive Chairman and Promoter, 66 years of age, is the Executive Chairman and Promoter of the company. He acquired our Company in 1988. He has obtained his Bachelor's degree in Science from Meerut University in 1970 and a Master's degree in Technology from Indian Institute of Technology-Roorkee in 1973. He has been awarded the Distinguished Aluminous Award in the year 2010 from Indian Institute of Technology-Roorkee. He has also been awarded the 'Entrepreneur of the Year' award by Ernst & Young in the year 2005 and the Economic Times award for Corporate Excellence in the year 2006. He is also the Chairman of the Board of Directors of our Subsidiaries, namely, Mercator Oil and Gas Limited, Mercator FPSO Private Limited and Mercator Petroleum Limited



Mr. M. M. Agrawal - Independent & Non-Executive Director, 66 years of age, is the Non- Executive Independent Director of our Company. He has obtained his Bachelors' degree in Engineering from Nagpur University in the year 1971. He has about 35 years of vast experience in the Banking and Finance industry. He is one the board of several companies such as Essar Power Hazira Limited, Essar Power Transmission Company Limited, Jaguar Overseas Limited, Bombay Rayon Fashions Limited, Bhoruka Cogen Power Private Limited, Karuturi Global Limited, Srei Mutual Fund Asset Management Private Limited, NSL Renewable Power Private Limited and Hindustan Powerprojects Private Limited. He has been associated with our Company since 2011.



Mr. Gunender Kapur - Independent & Non-Executive Director, 55 years of age, is the Non- Executive Independent Director of our Company. He is a Mechanical Engineer from BITS – Pilani and holds a Masters' degree in Business Administration from FMS Delhi University. At present, he is working as Managing Director of TPG Wholesale Private Limited. He has been associated with our Company since August 2014. He has also been co-opted as a member of the Audit Committee of the Board of Directors of our Company..



Mrs. Archana Mittal - Promoter & Non-Executive Director, 62 years of age, is the Promoter and the Non-Executive Non-Independent Director of our Company. She has been associated with our Company since 1988. She is also one of the promoters of our Company and was on the Board of our Company during the period May 1988 to June 1992. She is also a director of MHL Healthcare Limited. She is actively involved in philanthropy and social work through the Family Trust Prem Punita Foundation.

Key Management Personal



Mr. Shalabh Mittal
Chief Executive Officer

- Mr. Shalabh Mittal, 37 years of age, is the Chief Executive Officer of the Company with effect from May 27, 2016. He holds a Master's degree in Commerce from Sydenham College, University of Mumbai in May, 2001 and a Post-Graduation Diploma in Business Administration from the S. P. Jain Institute of Management and Research, Mumbai in June, 2001. He is also alumnus of Harvard Business School, Boston, USA. His primary role is to manage and supervise business operations of the Company effectively in accordance with the overall strategies and policies of the Company



Mr. Prasad Patwardhan
CFO

- Mr. Prasad Patwardhan, 50 years of age, is the Chief Financial Officer of the Company. He holds a Bachelor's degree in Commerce from the University of Mumbai and is a Member of The Institute of Chartered Accountants of India since January 1990. He has over 23 years of experience in resource mobilization, accounting and taxation. He joined our Company in the year 2012. As the Chief Financial Officer, he is in charge of the financial reporting financial strategy, compliance, taxation and co-ordination of statutory and management reporting.



Capt. Kowshik Kuchroo
President- Shipping

- Captain Kowshik Kuchroo is a Master Mariner and holds a Higher National Diploma from the United Kingdom. He is also a qualified Ship Broker. He has around 30 years of experience in Marine Industry (shore/ ashore) as well as infrastructure projects in the Oil & Gas space. He joined our Company in the year 2005. Currently, he is responsible for Shipping & Dredging division for Chartering, Expansion and Industry interaction



Mr. K.S.Raheja
Country Head- Indonesia

- Mr. K.S. Raheja has obtained a Bachelor's in Technology (Honours) degree in Mining Engineering from the IIT Kharagpur in the year 1992 and MBA from XLRI Jamshedpur in the year 1999. He has around 20 years of experience in the field of Mining, Logistics, Shipping, Trading and Strategy Formulation. His expertise lies in the areas of Coal Mining, Coal Trading and Development of New Mining and Port Related Projects. He joined our Company in 2007 and is responsible for mining existing coal blocks, developing new coal concession, trading and logistics consolidation in Indonesia and development of coal mining project in Mozambique.



Mr. Deepesh Joishar
Company Secretary

- Mr. Deepesh Joishar, 32 years of age, is the Company Secretary of the Company designated as Manager – Secretarial of the Company with effect from May 4, 2015. He obtained his Bachelor's degree in Commerce and his Bachelor of Laws (LL.B.) degree from the University of Mumbai in the year 2006 and 2009 respectively. He is also a Member of the Institute of Company Secretaries of India since June, 2010 and has been associated with our Company since 2015

BUSINESS STRENGTHS

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Diverse Business Offerings



- *Large & diverse business portfolio*
- *Enterprise opportunities that come up from time to time*

Experienced Leadership



- *Extensive experience and expertise of promoters & board of directors*
- *Healthy blend of expertise to manage challenges*

Ensuring Revenue Visibility



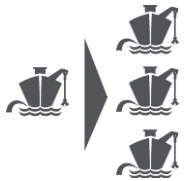
- *Various medium to long term contracts*
- *Vessels contracted with reputed Indian and international companies*

Foray Into Newer Business



- *Diversify from a shipping company to an 'energy based conglomerate'*
- *Strategically entered into certain business segments*

Integration And Synergy



- *Company operates in diverse business segments*
- *Serve its customers in a holistic manner*

BUSINESS STRATEGIES

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Continue to explore expansion with focus on the Dredging Sector

Balance Sheet De-leveraging



Expanding our fleet of Tankers

Exploit full potential of our Oil & Gas Blocks

Dredging

- Dredging is underwater excavation of soil & other debris, and is usually associated with
  - Cleaning and/or deepening of channels in ports
  - Construction of new ports
  - Reclamation of land
  - Beach nourishment
  - Maintaining the shipping channel depths etc.
- Mercator forayed into Dredging business in 2007
- Dredgers deployed across India mainly at Major Ports
- Provide mainly maintenance dredging services

DREDGER FLEET

SR	NAME	TYPE	HOPPER CAPACITY (M3)
1	Veera Prem	TSHD	11,300
2	Vakul Prem	BLD	N/A
3	Bhagvati Prem	TSHD	7,598
4	Darshani Prem	TSHD	7,450
5	Tridevi Prem	TSHD	5,433
6	Omkara Prem	TSHD	4,568
7	Uma Prem	TSHD	2,577
8	Vivek Prem	SGH	870
9	Yukti Prem	CSD	N/A







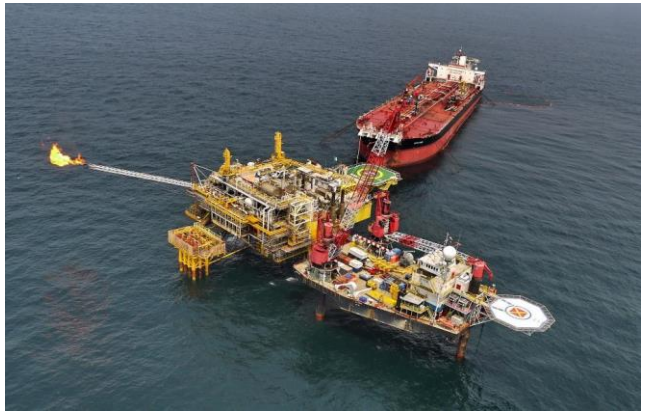
Various dredgers of Mercator

Oil & Gas

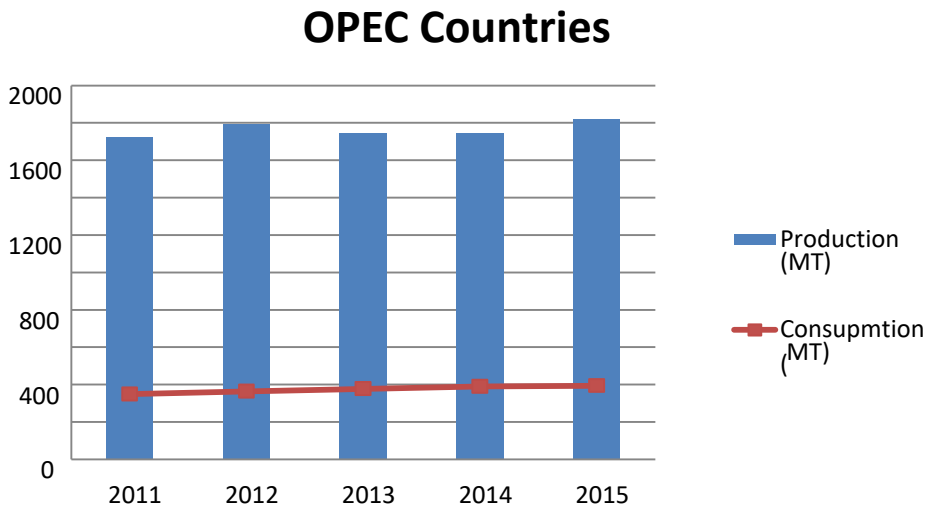
- Exploration & Production
  - 100% Interest in 2 Cambay basin blocks, 2 oil discoveries made
  - Third Party report for certification of resources available
  - 25% interest in 2 Myanmar blocks
- Offshore
  - Owns and operates a FPU in EBOK field, Nigeria
  - ~100% uptime & produced over 50 mmboe in the last 5 years
- EPC
  - Capability to execute turnkey projects
  - Process of completing the Sagar Samrat project on EPC basis at a yard situated at Abu Dhabi



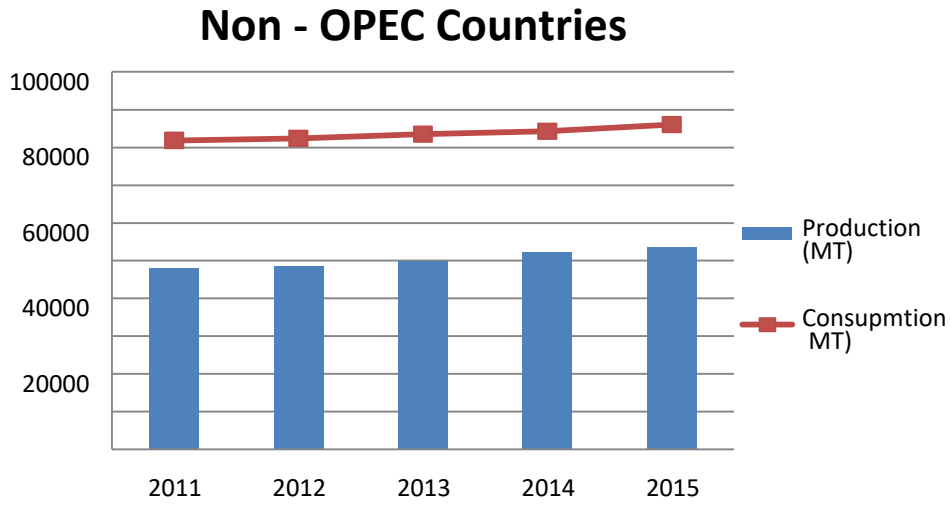
Sagar Samrat MODU being converted to MOPU



FPU Operating at EBOK Field, Nigeria



Source: CARE Research



Source: CARE Research

Coal

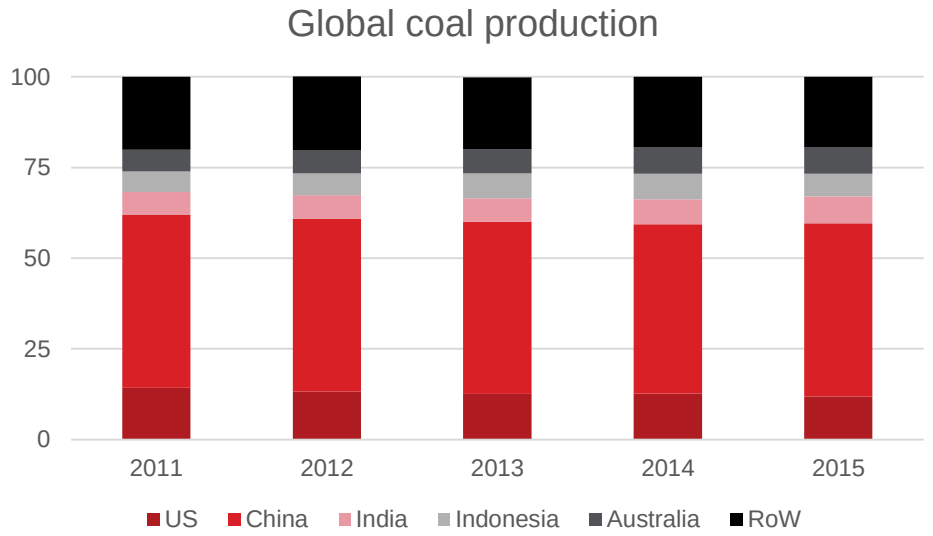
- 3 coal mining licenses in Indonesia of which operations ongoing at 1 mine. Also hold 1 mining license in Mozambique
- Mining activities are supplemented by International coal trading
- Additionally offer coal infrastructure services comprising of an all-weather haul road, stockpile facility, crushing unit & jetty loading facility to other coal mines situated in proximity to our coal mine
- Have expertise in providing complete logistics solutions for coal i.e. transportation of coal from the foreign load port until its final destination
- Customers include consumers as well as coal stockiest intermediaries, based in India and other Asian markets



Open pit mining operations in Progress



Coal Being loaded onto Barge via Conveyor at Jetty



Source: CARE Research

MAJOR COUNTRIES EXPORTING COAL (MT)			
	2013	***2014***	***2015***
Australia	25%	27%	30%
Indonesia	31%	30%	28%
Russia	10%	11%	12%
Colombia	6%	6%	6%
South Africa	5%	5%	6%
US	8%	6%	5%
Others	15%	14%	13%

Source: CARE Research

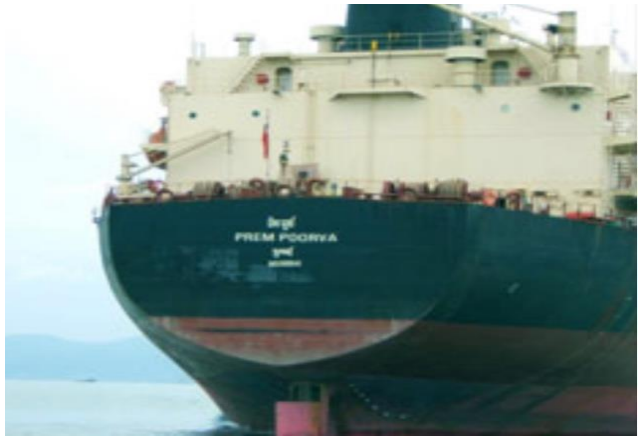
Shipping

- Operates a fleet of 9 vessels which consists of tankers, a gas carrier and bulk carriers
- Offer fleet as a mix of spot contracts and fixed-term charter contracts depending on the specific needs of our clients
- Maintain all our vessels in good working condition in order to satisfy the statutory flag state requirements as well as the international operating standards
- Cater to various national and international clients
- Experienced crew on-board & ashore

Sr	VESSEL	TYPE	DWT
1	Nerissa	VLCC	299,235
2	Prem Pride	Aframax	109,597
3	Hansa Prem	MR Tanker	36,032
4	Prem Mala	MR Tanker	46,977
5	Harsha Prem	MR Tanker	42,235
6	Vedika Prem	MR Tanker	42,253
7	Sri Prem Poorva	Panamax	69,286
8	Vrinda	Panamax	69,221
9	Sisouli Prem	VLGC	50,400







Various ships of Mercator

Corporate Social Responsibility

Committed to providing inclusive growth and creating greater value for all stakeholders

CSR initiatives undertaken in collaboration with Prem Punita Foundation, Mumbai

Some of the key CSR Initiatives are:

1

Project Prem Sukhda

- Operate dispensaries
- Awareness Sessions
- Personal Hygiene Camps for Children

2

Project Prem Sagar

- Computer Education
- Sewing and Design Course

3

Project Prem Pravah

- Sponsoring Therapy to Children with Hearing Impairment
- Support NGOs working on eye care, disabled

4

Project Prem Pravan

- Sponsoring therapy to children with hearing impediment
- Supporting NGOs working on eye care, disabled







Supporting the local Community

Income Statement

PARTICULARS (INR MILLION)	FY 16	FY 15	FY 14
Revenue from Operations	27,064.18	30,916.32	34,577.80
Other Income	188.57	152.86	284.18
Total Revenue	***27,252.75***	***31,069.18***	***34,861.99***
Operating Expenses	20,729.65	229,880.05	26,887.80
Employee benefit expenses	642.41	724.85	561.60
Finance Cost	2,621.83	2,252.99	2,051.38
Depreciation and amortization expenses	4,224.08	4,745.58	4,408.70
Impairment of Assets	3,488.28	4,090.08	121.87
Other expenses	6,441.82	2,011.23	699.86
Total Expenses	***38,148.07***	***36,812.75***	***34,731.21***
Profit / (Loss) before taxes & Exception Item	(10,895.33)	(5,743.57)	130.78
Exception Item	-	1,159.59	29.81
Profit / (Loss) before taxes	(10,895.33)	(6,903.16)	100.97
Current Tax	(28.22)	(105.82)	(254.46)
(Short) / Excess Provision for tax for earlier years	3.35	0.01	(2.52)
Deferred Tax	(77.14)	(59.99)	7.00
Profit / Loss for the year before adjustment for Minority Interest	(10,997.34)	(7,068,96)	(149.01)
Less: Share of profit / (loss) transferred to Minority Interest	2,096.27	2,573.71	470.79
Profit / (Loss) for the period	***(8,901.06)***	***(4,495,25)***	***321.78***

H1 FY 2016 Vs H1 FY 2015 (STANDALONE)

PARTICULARS (INR MILLION)	H1 FY 2016 *Ind-AS*	H1 FY 2015 *IGAAP*
Revenue from Operations	2,599.18	3027.99
Other Income	(46.66)	(57.47)
Total Revenue	***2,552.52***	***2,970.52***
Operating Expenses	1,488.67	1,756.29
Employee benefit expenses	73.50	108.71
Finance Cost	371.42	295.43
Depreciation and amortization expenses	729.48	576.27
Other expenses	102.94	82.66
Total Expenses	***2,766.00***	***2,819.36***
Profit / (Loss) before taxes & Exception Item	(213.48)	151.17
Current Tax	(5.5)	(5.5)
(Short) / Excess Provision for tax for earlier years	0	0
Deferred Tax	0	0
Profit / (Loss) for the period	***(218.98)***	***145.67***

Balance Sheet (*Liabilities*)

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	PARTICULARS (INR MILLION)	FY 16	FY 15	FY 14
1	***SHAREHOLDER'S FUNDS***	***8,809.92***	***22,325.98***	***28,387.86***
(a)	Share Capital	244.89	244.89	244.89
(b)	Reserves and surplus	8,269.87	19,544.29	23,187.68
	Minority Interest	295.16	2,536.30	4,955.29
2	***NON-CURRENT LIABILITIES***	***16,665.51***	***26,595.41***	***25,846.01***
(a)	Long-terms borrowings	16,091.34	25,066.74	25,638.84
(b)	Other long term liabilities	534.32	1,475.27	159.13
(c)	Long-term provisions	39.85	53.40	48.04
3	***CURRENT LIABILITIES***	***22,705.04***	***27,660.03***	***18,553.88***
(a)	Short-term borrowings	4,924.76	6,998.13	6,053.37
(b)	Trade payables	8,218.77	11,940.10	4,771.65
(c)	Other current liabilities	9,493.54	8,536.77	7,337.34
(d)	Short-term provisions	67.97	185.04	391.52
	TOTAL EQUITY & LIABILITIES	***48,180.47***	***76,581.42***	***72,787.75***

Balance Sheet (*Assets*)

	PARTICULARS (INR MILLION)	FY 16	FY 15	FY 14
1	***NON-CURRENT ASSETS***	***36,360.29***	***59,810.00***	***58,316.34***
(a)	Fixed assets	33,415.40	56,039.70	54,242.75
(i)	Tangible assets	26,534.14	49,832.38	54,216.95
(ii)	Intangible assets	3.24	4.01	-
(iii)	Capital work in progress	6878.00	6203.31	25.80
	Goodwill on consolidation	-	-	1,782.70
(b)	Non-current investments	7.11	13.76	314.67
(c)	Deferred tax asset	(32.10)	41.28	98.76
(d)	Long-term loans and advances	2,909.79	3,685.51	3,027.63
(e)	Other non-current assets	60.10	29.76	454.27
2	***CURRENT ASSETS***	***11,820.18***	***16,771.42***	***14,471.40***
(a)	Current Investments	-	39.89	42.04
(b)	Inventories	192.14	341.37	570.22
(c)	Trade receivables	5,787.01	8,150.97	6,322.03
(d)	Cash and bank balances	954.44	2,744.05	1,945.42
(e)	Short-term loans and advances	2,282.64	2,481.66	2,865.83
(f)	Other current assets	2,603.95	2,481.66	2,725.89
	TOTAL ASSETS	***48,180.47***	***76,581.42***	***72,787.75***

THANK YOU