MERCATOR
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February 14, 2018

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: Press Release**

Dear Sir,

We enclose herewith copy of Press Release, for your information and records purpose.

Please acknowledge.

Thanking you,

Yours faithfully,
For **Mercator Limited**

**Suhas Pawar**
**Company Secretary**

# Mercator Limited

## De-merger of the Dredging Business

### Transaction Summary

- Dredging division to be de-merged as a separate entity Mercator Dredging Private Limited ("MDPL")
- MDPL to be listed as a separate entity as a part of De-merger
- Shareholders of Mercator Limited to receive 1 Equity Share of Rs.10/- each of MDPL for every 40 Equity Shares of Rs.1/- each of Mercator Limited
- Economic Interest of public shareholders remains at 69.3%

### Proposed Shareholding Structure of MDPL

| Particulars | Number of Shares | % |
|---|---|---|
| Promoter | 2,323,644 | 21.51% |
| Mercator Limited | 3,240,636 | 30.00% |
| Mercator Shareholders | 74,82,629 | 69.30% |
| Direct Holding | 5,237,840 | 48.50% |
| Economic interest through ML | 2,248,749 | 20.80% |

Mercator Limited is pleased to announce that its Board of Directors have approved the De-merger of Dredging Business into a separate entity. Mercator Dredging Private Limited will be listed as a separate entity as part of the De-merger process. The Board had earlier initiated a study to evaluate the potential of a de-merger and had appointed a consultant to evaluate the possibility of a business restructuring.

### Rationale for De-merger

- Streamline management focus and create superior shareholder returns by un-locking value.
- De-merger creates a focused pure play entity with better access to capital

The appointed date for the proposed scheme is October 1, 2018 and the scheme is subject to shareholders' and various other regulatory approvals. PricewaterhouseCoppers Pvt. Ltd. are the professional consultants appointed by the company for assisting the Demerger activity.

Mr Shalabh Mittal; CEO; Mercator Limited said:

*"In the view of government's thrust on inland waterways, River linking and Sagar Mala projects, we believe that there is a substantial growth opportunity in the Dredging business and we want to be prepared to capitalise on the same. The De-merger will create a focussed pure play entity with potential to create superior long-term shareholder value.*

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