

May 30, 2017

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

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: 526235

Scrip Code: MERCATOR

Sub: Investor Presentation

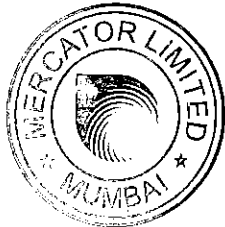
Dear Sir,

Please find enclosed herewith Investor 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**


Suhas Pawar
Company Secretary



Encl: As Above

EARNINGS PRESENTATION

Q4 and FY17

BSE-code : 526235

NSE-code : MERCATOR





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Q4 Performance Highlights



Key Operational Highlights

1. Secured Time Charter contract of Rs.1,200 Mn For MR tanker 4 years (2+2) commencing in January-2017.
2. 2 year time charter of VLCC completed in December 2016 and vessel deployed at higher spot rate from January 2017 onwards.
3. Secured Dredging Contract for 3 Years from New Mangalore Port Trust For Rs.979.94 Mn, other Port Contract of Rs.150 Mn and DGNP Vizag Rs.390 Mn L1.
4. MOPU sale transaction successfully completed in February 2017. Rs.5,000.Mn (approx) debt repaid
5. Mercator Petroleum Limited (MPL) our subsidiary company commenced drilling of new exploratory well Jyoti-5 .
6. Achieved all time monthly high in crushing, dispatch and third party loading quantity of coal in March-17 – Mine Coal Dispatch – 4,31,000 MT , Third Party Loading – 2,70,000 MT
7. Long Term Debt reduced by 30% from Rs.21393 Mn to Rs.14161 Mn

Consolidated Financial Performance



Quarter ended March-2017

<i>INR MN except as stated</i>	Q4FY17	Q4FY16	Y-O-Y %	Q3 FY17	Q-o-Q %
Revenue	4,466	5,862	-24%	5,851	-24%
Other Income	138	14	-853%	20	-588%
Expenses	3,082	4,167	-26%	4,235	-27%
Adjusted EBITDA	1,521	1,709	11%	1,636	-7%
Interest	598	795	-25%	525	14%
Depreciation	705	4,269	-83%	710	-1%
PBT	218	(3,355)	107%	401	-46%
Tax	187	89	-110%	6	3017%
PAT before Exceptional Item	31	(3,444)	101%	395	-92%
Exceptional Item #	540	1,334		92.00	
Minority Interest	(177)	36.00	592%	88.00	-301%
Other Comprehensive Income	(4)	13.00		-	
Attributable PAT	(336)	(4,801)	93%	215	-256%
EPS (Rs/Share)	(1.24)	(19.60)	94%	0.88	-241%
Adjustment #	Q4FY17	Q4FY16			
Loss on sale of Assets	1,316	43			
Balance W/off	592	-			
One time Expenditure					
Unrealised Gain on Investment	(1,368)				

Year ended March-2017

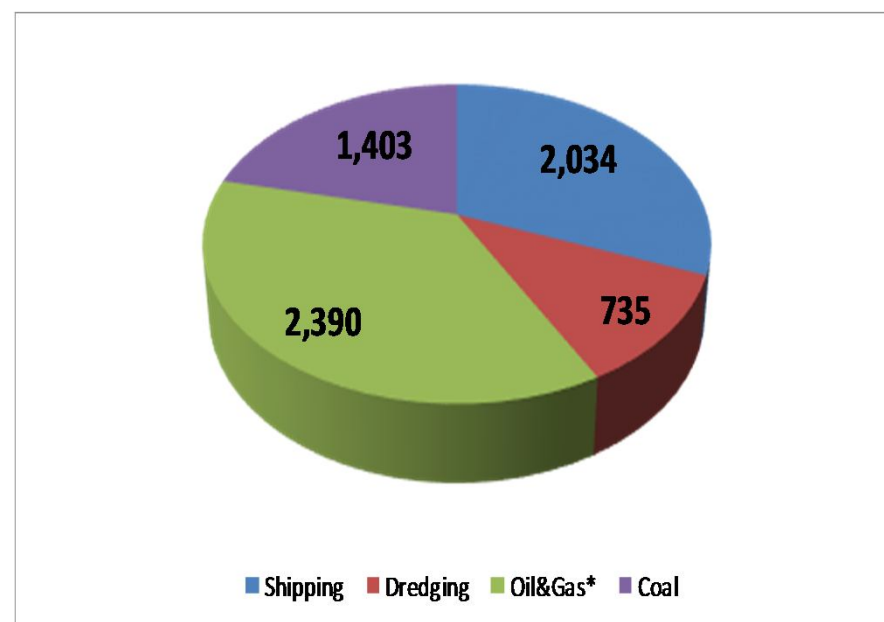
<i>INR MN except as stated</i>	12M FY17	12M FY16	Y-O-Y %
Revenue	21,154	27,064	-22%
Other Income	89	(5)	2059%
Expenses	14,680	21,671	-32%
Adjusted EBITDA	6,562	5,388	-22%
Interest	2,244	2,665	-16%
Depreciation	3,186	7,763	-59%
PBT	1,132	(5,040)	122%
Tax	212	102	108%
PAT before Exceptional Item	920	(5,142)	118%
Exceptional Item #	632	5,775	
Minority Interest	42	(2,096)	102%
Other Comprehensive Income	(4)	13	
Attributable PAT	242	(8,808)	103%
EPS (Rs/Share)	1	(36)	102%
Adjustment #	12M FY17	12M FY17	
Loss on sale of Assets	1,316	4,484	
Balance W/off	592	1,291	
One time Expenditure	92		
Unrealised Gain on Investment	(1,368)		

Adjusted EBITDA excludes loss on sale of assets, write-offs & one time expenditure; No.s are not comparable with prior quarter due to sale of MoPU in Nov'16

Consolidated Segment-wise Adjusted EBITDA Contribution

Segment (Rs. Mn)	FY17
Shipping	2,034
Dredging	735
Oil and Gas*	2,390
Coal	1,403
Total	6,562

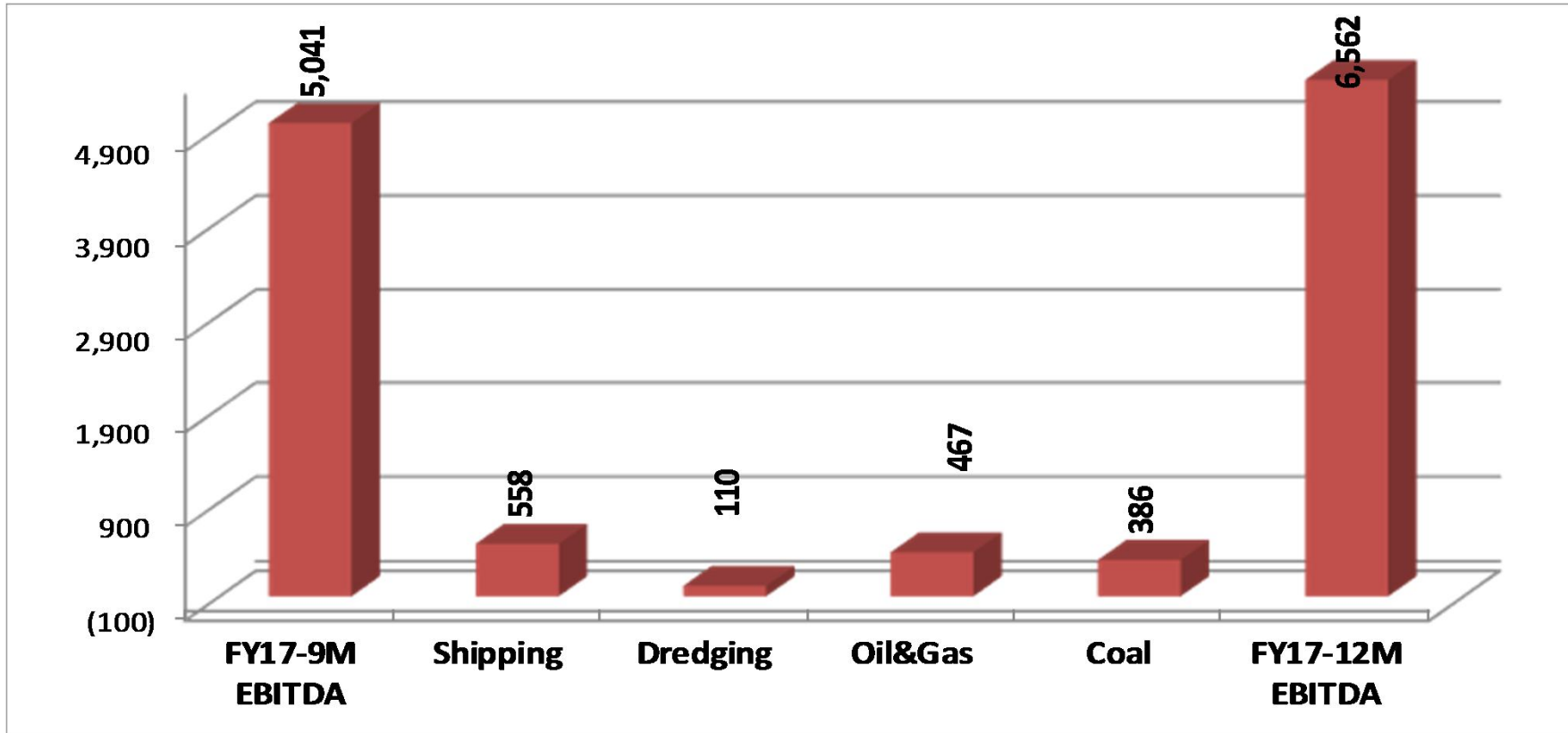
* Includes MOPU income till 17th November 2016.



Adjusted EBITDA excludes loss on sale of assets, write-offs & one time expenditure

Consolidated adjusted EBITDA bridge

INR Mn



Adjusted EBITDA excludes loss on sale of assets, write-offs & one time expenditure

Oil & Gas includes income of discontinued operation

Segment Wise Business Performance - Dredging

Operational Highlights

- Secured Dredging Contract for 3 Years for NMPT For Rs.979.94 Mn & L1 in DGNP Vizag Rs. 390.Mn.
- Bid pipeline of Rs. 12,000 Mn Approx
- Veera Prem was under dry dock and is expected to be deployed in June 2017. Loss of Revenue due to Dry Dock causing drop in revenue in and EBIDTA

Outlook

- The Company proposes to enter in the Capital Dredging segment and is closely tracking opportunity in inland waterways

<i>INR MN except as stated</i>	Q4FY17	Q4FY16	Y-O-Y %	Q3 FY17	Q-o-Q %
Revenue	633	557	14%	693	-9%
Expenses (net of W/off)	523	428	22%	473	11%
Adjusted EBITDA	110	129	-15%	220	-50%
PBT	(82)	(18)	357%	(23)	-255%

<i>INR MN except as stated</i>	12M FY17	12M FY16	Y-O-Y %
Revenue	2,708	2,833	-4%
Expenses (net of W/off)	1,973	1,974	0%
Adjusted EBITDA	735	859	-14%
PBT	(45)	312	-115%

Adjusted EBITDA excludes loss on sale of assets, write-offs & one time expenditure

Segment Wise Business Performance - Shipping



Operational Highlights

1. Secured Time Charter contract of Rs.1200 Mn For MR tanker for 4 years (2+2) commencing in January-2017.
2. 2 year time charter of VLCC completed in December 2016 and vessel deployed at higher spot rate from January 2017 onwards
3. FY-16 includes MLS

Outlook

- Assets values look attractive
- Evaluating opportunities to acquire new assets on Asset- light model basis

<i>INR MN except as stated</i>	Q4FY17	Q4FY16	Y-O-Y %	Q3 FY17	Q-o-Q %
Revenue	975	784	24%	886	10%
Expenses (net of W/off)	416	1,554	-73%	357	17%
Adjusted EBITDA	558	(770)	-172%	530	5%
PBT	(324)	(4,515)	-93%	(80)	303%

<i>INR MN except as stated</i>	12M FY17	12M FY16	Y-O-Y %
Revenue	3,667	5,070	-28%
Expenses (net of W/off)	1,632	9,565	-83%
Adjusted EBITDA	2,034	(4,495)	-145%
PBT	(589)	(11,303)	-95%

Adjusted EBITDA excludes loss on sale of assets, write-offs & one time expenditure

Segment Wise Business Performance – Coal and Logistics



Operational Highlights

Achieved all time monthly high in crushing, dispatch and third party loading quantity of coal in March-17 – Mine Coal Dispatch – 4,31,000 MT, Third Party Loading – 2,70,000 MT

<i>INR MN except as stated</i>	Q4FY17	Q4FY16	Y-O-Y %	Q3 FY17	Q-o-Q %
Revenue	2,465	2,764	-11%	2,965	-17%
Expenses (net of W/off)	2,079	2,819	-26%	2,480	-16%
Adjusted EBITDA	386	(55)	-805%	485	-20%
PBT	1,162	(399)	-391%	370	214%

Outlook

Maintain operational efficiency, coal prices expected to remain firm

<i>INR MN except as stated</i>	12M FY17	12M FY16	Y-O-Y %
Revenue	11,464	12,827	-11%
Expenses (net of W/off)	10,061	12,451	-19%
Adjusted EBITDA	1,403	377	273%
PBT	1,739	(334)	-621%

Note : Unrealised gain on Fair Value of investment Rs.1368 Mn.

Adjusted EBITDA excludes loss on sale of assets, write-offs & one time expenditure

Previous year / quarter are recast and regrouped

Segment Wise Business Performance – Oil & Gas

MOPU and Sagar Samrat

- **Sagar Samrat is expected to be completed in Q2-FY-18. Expected debt reduction on completion is Rs.1,221 Mn by Q2-FY-18.**
- **DGH cleared essentially certificate to facilitate drilling campaign for Block CB-9 at cambay basin.**
- **Company commenced drilling of new exploratory well Jyoyti-5.**
- **Sale of MOPU completed successfully .**

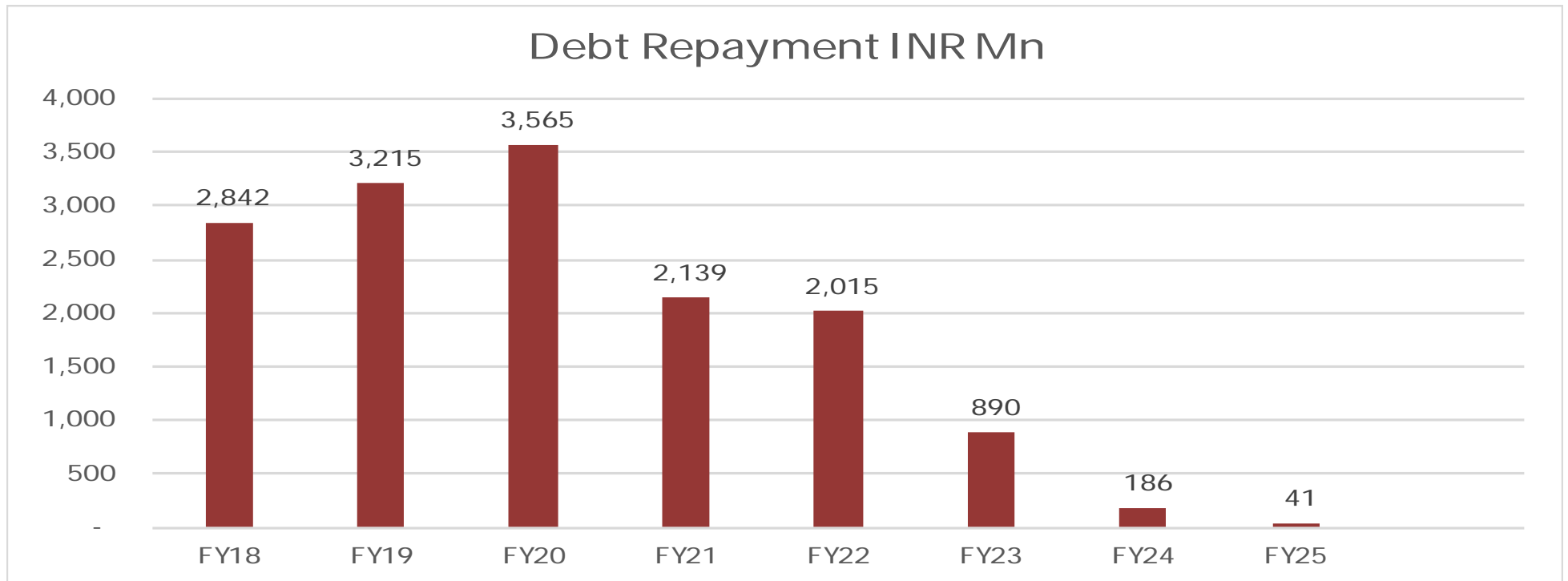
Deleveraging Status

- Long Term debt reduced by 34% to Rs. 14,161 mn
- MOPU sale proceeds to be used for further debt reduction by approx Rs 5000mn.
- Efficient working capital management; working capital lower at Rs.4,250 mn.

<i>INR MN except as stated</i>	12M FY17	12M FY16	Y-O-Y %
Long Term Debt	14,161	21,393	-34%
Working Capital	4,228	4,925	-14%
Total Debt	18,389	26,318	-30%
Cash	1,308	1,011	29%
Net Debt	17,082	25,308	-33%

Debt Maturity Profile*

Debt Repayment INR Mn



Adjusted EBITDA excludes loss on sale of assets, write-offs & one time expenditure

FY18 – Key Priorities

- **De-Leveraging**
 - Focus on De-Leveraging to continue
- **Dredging**
 - Bid pipeline of Rs.12000 Mn
 - The Company proposed to enter in Capital Dredging segment and closely tracking opportunities in inland waterways
- **Shipping**
 - Assets values looks attractive
 - Evaluating opportunities to acquire new Assets on Asset-light model basis
- **Oil and Gas**
 - Assets with high quality crude reserves.
 - Further well drilling already commenced.
 - Completed exploration and appraisal commence production activities by FY-18
- **Coal**
 - Maintain operational efficiency, coal prices expected to remain firm.



Thank You