

July 30, 2016

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: Chairman's Speech and Presentation**

Dear Sir,

We enclose herewith copy of Chairman's Speech and Presentation being delivered today at 32<sup>nd</sup> Annual General Meeting of the Company at Rangaswar Hall, 4th Floor, Y. B. Chavan Center, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400021

Please acknowledge and take same on record.

Thanking you,

Yours faithfully,

For **Mercator Limited**

*Deepesh*  
**Deepesh Joishar**  
Company Secretary



Encl: as above



## **CHAIRMAN'S SPEECH**

Good Afternoon everyone,

It is my privilege to welcome you all to the 32<sup>nd</sup> Annual General Meeting of your Company.

The world continues to witness its share of ups and downs. While the global GDP growth is nearly stagnant and Chinese GDP growth is slowing, India is being seen as one bright spot.

Though a major part of the year saw commodity prices falling, there has been a revival in past few months. The prices of oil, coal, iron-ore and other similar basic commodities have rebounded from their lows and though are still nowhere near earlier peaks, they seem to be stabilizing. The maiden Maritime India Summit marks the beginning of a journey of escalating growth for India's Maritime sector which in turn will have an impact on other economic areas of the country.

Let me share some of the events of last year with you, while assuring you, that these times also bring along ample learnings and opportunities.

Against the headwinds, your company registered a strong Rs 526 Crore adjusted EBITDA, excluding the Singapore based shipping business which was sold-off on account of continued adverse market conditions. With this there has been a substantial reduction in consolidated group debt.

Your company's dredging division continues to do better. The two dredgers acquired last year are performing very well. Their addition has made the fleet quite versatile in both size and quality. Indian government has made its intention to develop the Indian Maritime infrastructure both for coastal and inland waterways very clear. This is likely to substantially increase the market size, and Mercator would be able to leverage its existing leadership position and experience to benefit from this.

Last year I had informed that your company had made 2 very good oil discoveries. I am happy to inform you that substantial technical work post those discoveries has been completed and your company is in last phase of the exploration program. The two blocks should be ready for production by the next financial year or earlier subject to requisite approvals.

Additionally, technical studies are progressing at 2 offshore Myanmar blocks where your company has participating interest along with Oil India Limited and others. The Floating Production Unit deployed at EBOK field in Nigeria continues to perform efficiently.

Though the coal business of your company was impacted by fall in coal prices, there was an altogether new revenue source opened up in the form of leasing the company owned infrastructure to nearby miners. This revenue source is relatively inelastic to coal prices.

Dear Shareholders, on account of profits made on standalone basis, Mercator Board has recommended a dividend of 10% i.e. 10 paise per share.

The results of first quarter of current financial year were announced yesterday and on standalone basis your company has improved its operating margins to about 43% from about 35%. The group at the consolidated level reported a net profit of Rs. 22 cr before minority interest as against a net loss of Rs. 58 cr in Q1FY16.

Going forward your company would continue to focus on streamlining its businesses, build new capabilities, improve its competitive advantages and further sharpen focus on its core strengths.

Dear all, along with the business changes, in its efforts to plan effective succession planning and instil next-gen approach, your company has inducted Shalabh Mittal as CEO of the company. I hope that you will extend the same co-operation & encouragement to Shalabh as you have been giving me and the board.

I am proud to be at the helm of a talented and dedicated team along with whom we plan to take Mercator to its next level!

My sincere gratitude to my fellow Board members, customers, shareholders, financial institutions and all stakeholders for their continued support.

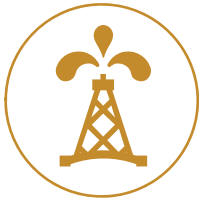
Thank You.

H. K. Mittal

July 30, 2016



# 32<sup>nd</sup> ANNUAL GENERAL MEETING



JULY 2016



# DISCLAIMER

*This Presentation and other statements – written and oral – that we make contain forward looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipate’, ‘estimate’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’, and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise. Nothing contained in this presentation or communicated verbally should be construed as a profit forecast or profit estimate. Investors or other recipients are cautioned not to place undue reliance on any forward-looking statements contained herein. Neither this presentation nor any verbal communication shall constitute an invitation or inducement to any person to subscribe for or otherwise acquire securities in the Company.*

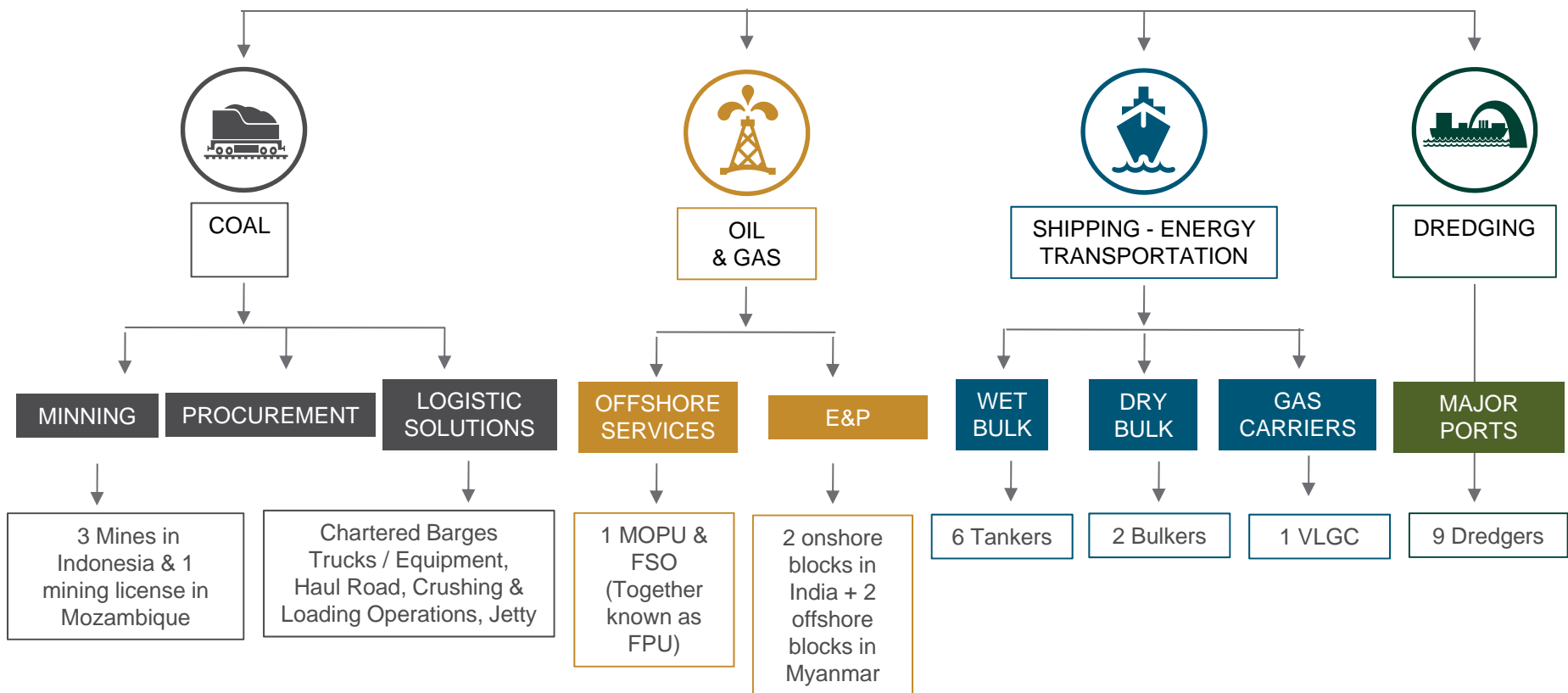


# MERCATOR on MAP



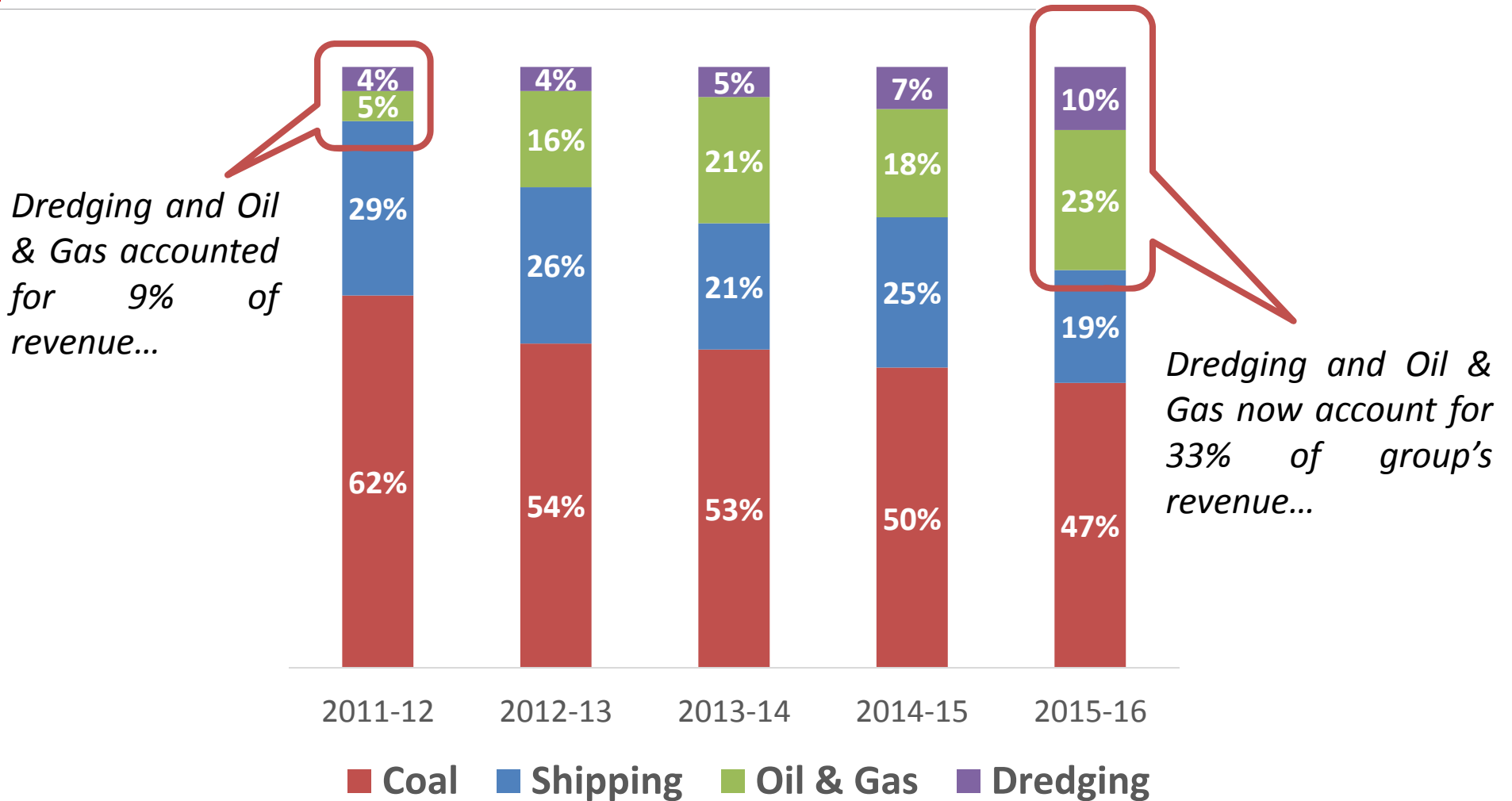


# GROUP BUSINESS PROFILE





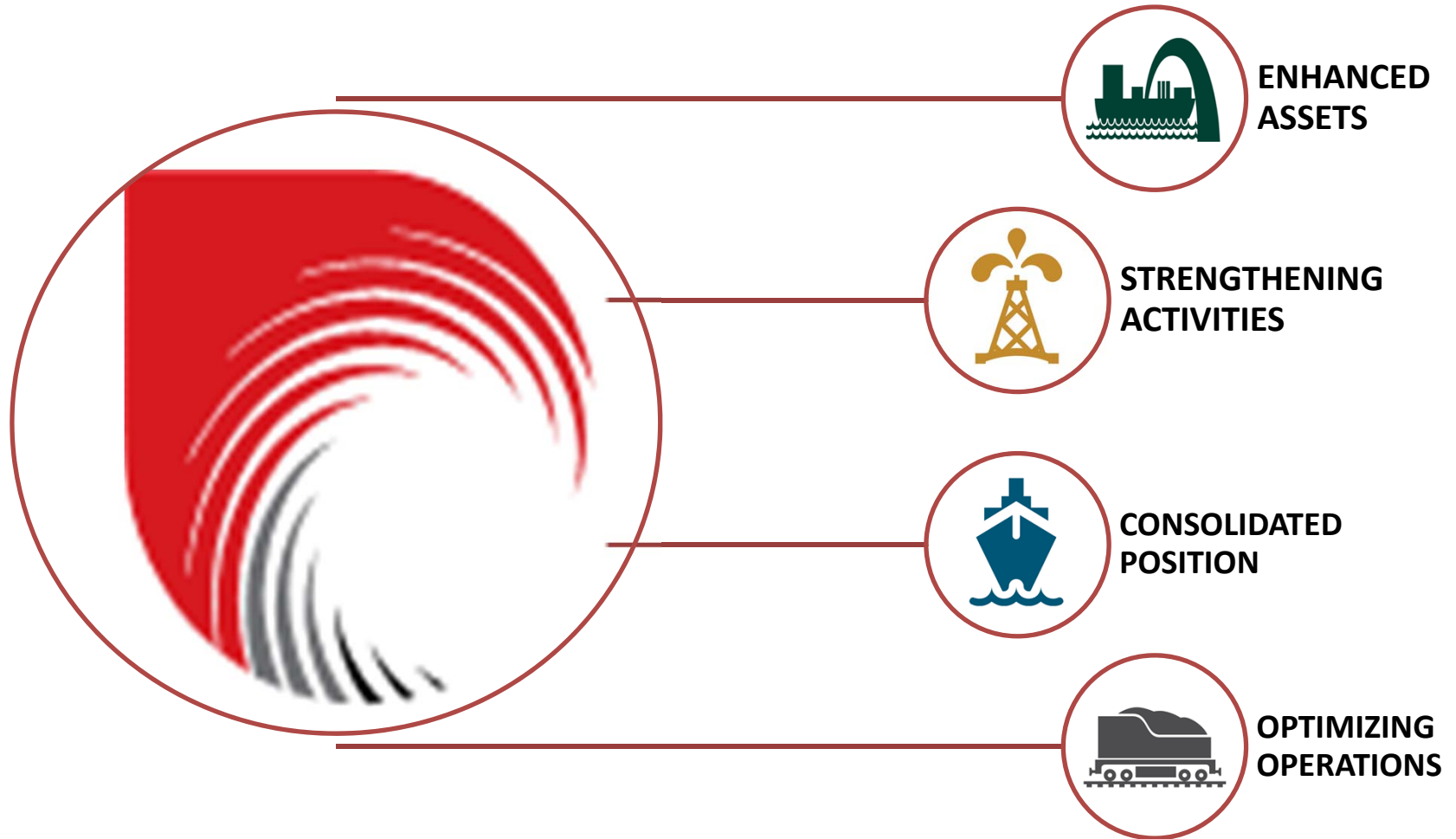
# SEGMENTAL GROWTH





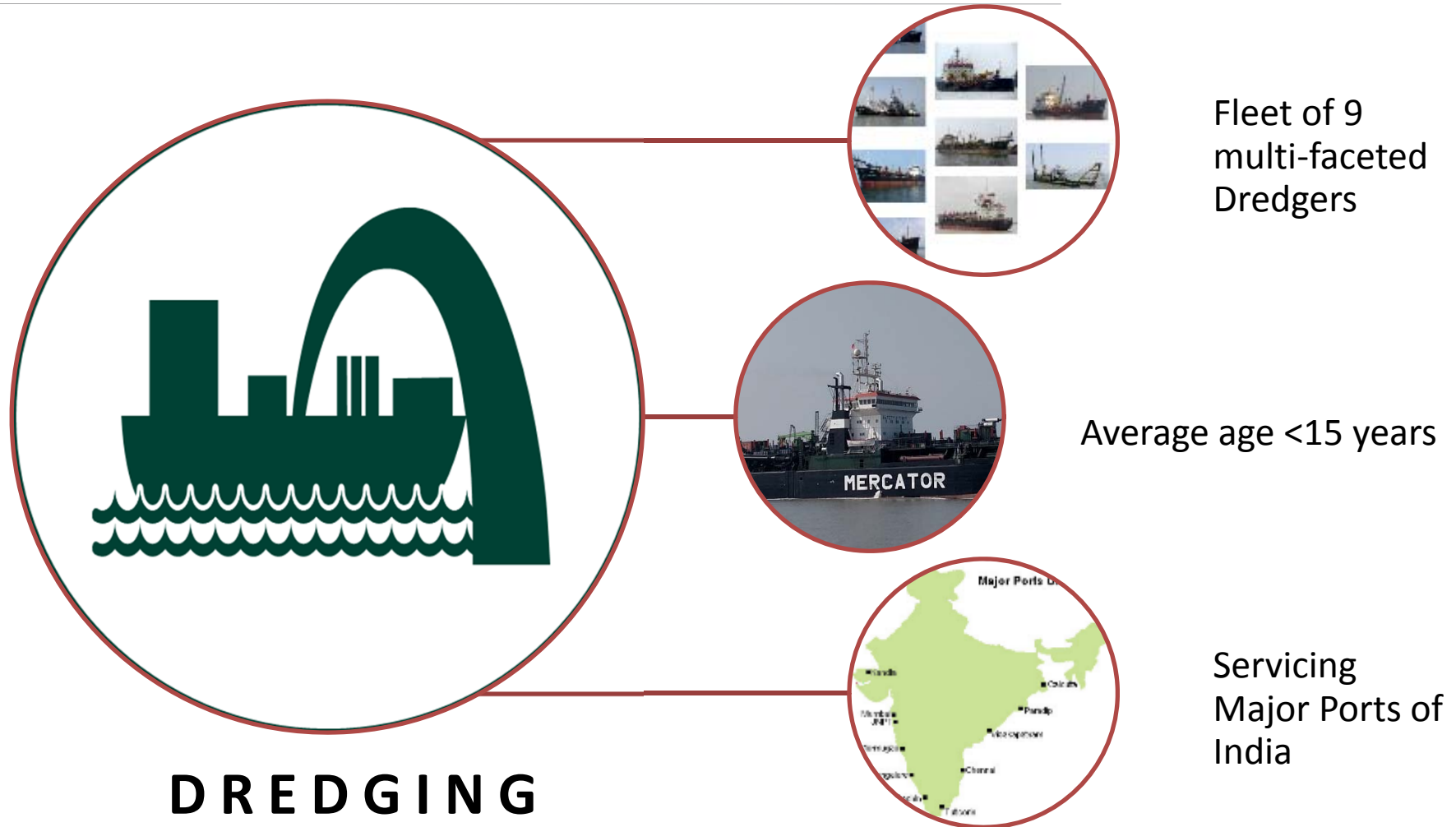


# NOTABLE HIGHLIGHTS



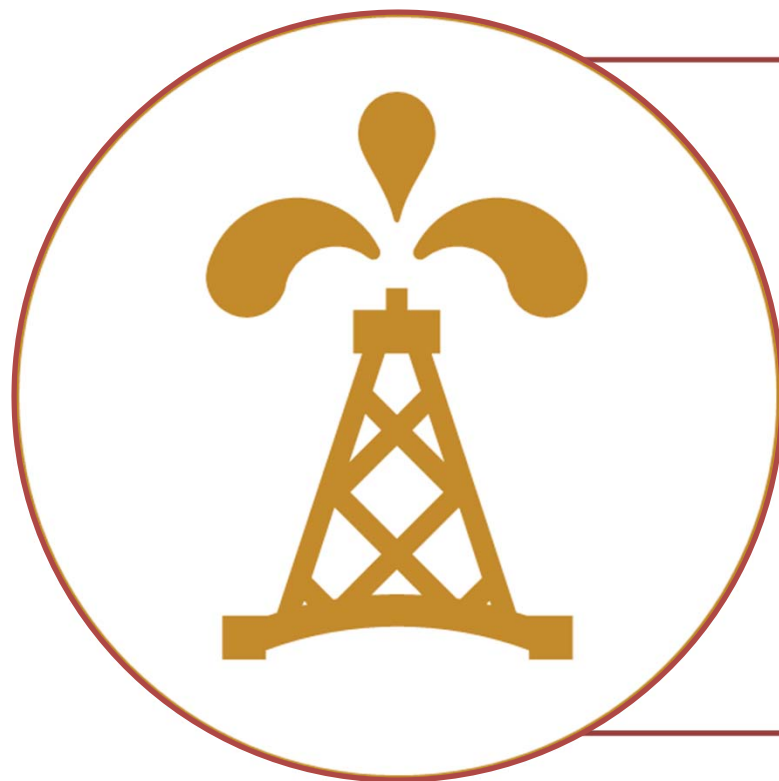


# ENHANCED ASSETS





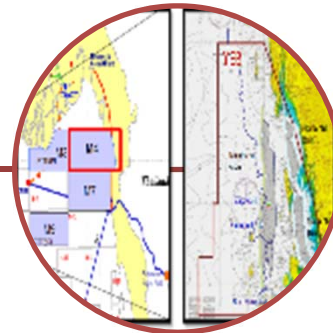
# STRENGTHENING ACTIVITIES



**OIL & GAS**



Exploration activities continue in Cambay Blocks



Technical Studies ongoing in Myanmar



Steady Operations continue at EBOK Field

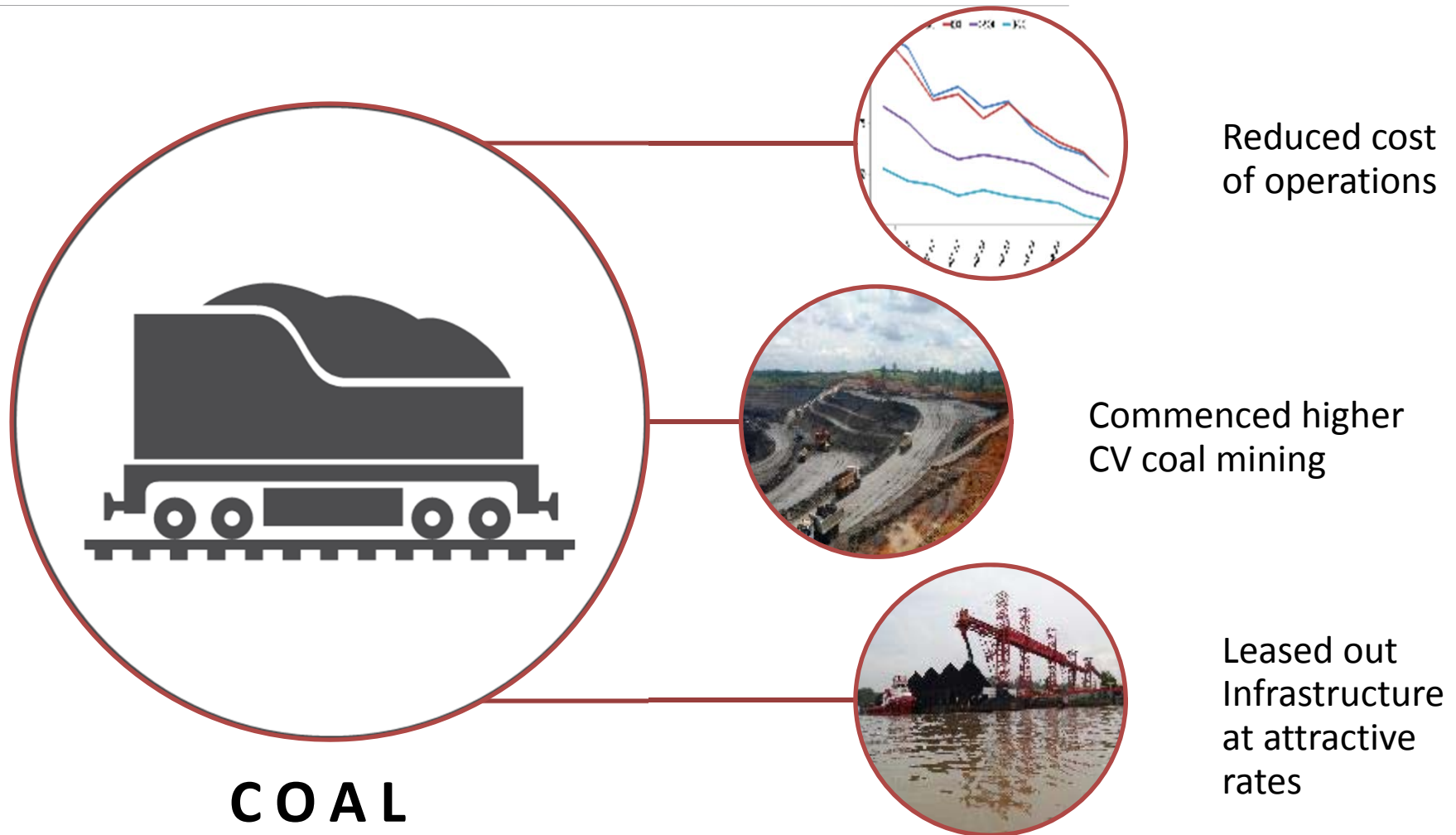


# CONSOLIDATED POSITION





# OPTIMIZING OPERATIONS





**DEAR SHAREHOLDERS**

***THANK YOU***

*For your unwavering  
support & faith in us*

