

October 7, 2016

To,
BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

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

Dear Sir,

Sub: Revision in Credit Rating

This is to inform you that Credit Analysis and Research Ltd. (CARE) has revised Company's rating for short term bank facilities from CARE A2+ (A Two Plus) to CARE A3+ (CARE A Three plus) and long term Bank facilities / NCDs from CARE A- (A minus) to CARE BBB (Triple B).

As per CARE, "the rating has been revised largely due to deterioration in the capital structure due to losses and one time impairment/provision on account of the underperformance and sale of the dry bulk subsidiary Mercator Lines (Singapore) Ltd. The rating of the Company continues to derive strength from long track record of the Company along with experienced promoters & management and its diversified revenue portfolio."


In FY 2016, the performance of the Company was adversely affected by heavy losses suffered by stepdown subsidiary, Mercator Lines (Singapore) Ltd, engaged in Dry Bulk Shipping. The Company took pro-active steps to curb losses in this segment & sold the subsidiary. Consequently the consolidated debt has reduced by Rs. 1000 crores approximately. The Company on consolidated basis reported Q1 EBITDA of Rs. 165 crores with net profit of Rs. 22.09 crores.

Please acknowledge.

Thanking you,

Yours faithfully,

For Mercator Limited


Deepesh Joishar
Company Secretary

