



PRESS RELEASE

Mercator Reports announces audited results for the year ended March 2011

Mercator Lines Limited, India's 2nd largest private sector shipping company (in terms of tonnage), announced its Audited financial results for the year ended 31st March 2011 (FY2011). The total consolidated income for the FY 2011 was Rs. 2829 Cr. against Rs. 1809 Cr. in the previous year ended on 31st March 2010; recording an increase of 52% over previous year. The consolidated Net Profit before exceptional item; minority interest and Tax was Rs. 122 cr. against Rs. 109 cr in the previous year recording 11% increase. The consolidated Net Profit was Rs. 47 Cr. against Rs. 53 Cr. in the previous year. During the year, Mercator group added 1 Aframax tanker; 2 Panamax & 1 Kamsarmax dry bulk carriers; 1 MOPU and 1 FSO.

The **Dry Bulk segment and Tankers segment** contributed about 27% and 16% respectively to the total revenues for the year. **Dredging division** supplemented the revenues by about 3%. Share of **Offshore segment** in total revenues was at about 5%.

Coal mining and trading activities contributed about 49% to the total revenue.

The shipping industry worldwide continued to sail through tough times on account of various reasons including over supply of tonnage. Mercator's strategy of diversifying into other related segments of business has helped it to minimize overall adverse impact. For the second consecutive year; the coal business has posted a handsome growth in revenue of over 250% this year and in EBIDATA over 900%. This tempo of growth is expected to continue.

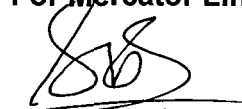
Going forward; the successful commissioning of FPU project would add considerable growth in the performance of the Mercator.

Mercator has also good order book under dredging segment which is also expected to contribute to its growth in near future.

About the Company:

Mercator Lines Limited, the second largest private sector shipping company in India (by aggregate fleet tonnage capacity), has global presence through its subsidiaries. The group has diversified interests in Tankers, Bulk Carriers, Dredgers, Coal Mines, Logistics and Offshore. As at 31st March 2011; Mercator Group owns or operates a fleet of 18 dry carriers; 8 tankers and 4 dredgers with an aggregate capacity of about 2.41 million DWT of an average age of about eight years in addition to 1 MOPU and 1 FSO. The Group has also Coal mines in Indonesia and Mozambique. Further; the Group has two oil blocks awarded to it under NELP VII exploration work of which has commenced.

For Mercator Lines Ltd.



Suchita Shirambekar
Company Secretary
Mumbai, May 28, 2011