

COMPANY PROFILE



Pratibha Shipping Company Limited



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1 EXECUTIVE SUMMARY

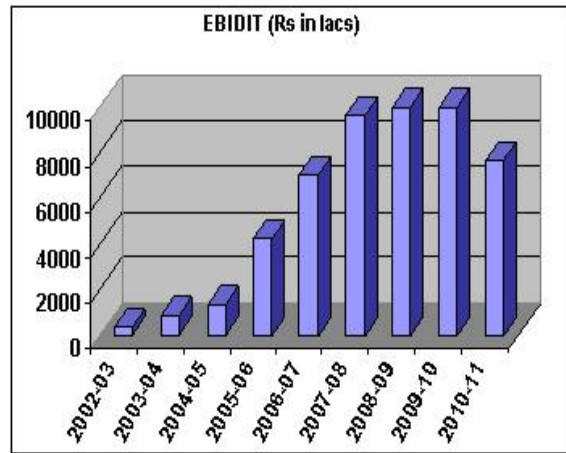
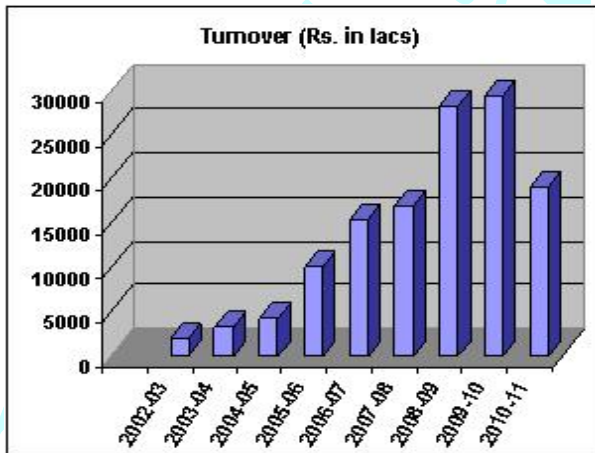
Pratibha Shipping Company Limited (PSCL) was incorporated on 20th February 1995 to explore the business prospects in the Indian Oil Tanker Market. **The main promoter, Mr Sunil Pawar, is a Marine Engineer** with more than 20 years experience in the shipping industry. Mr. Sunil A Pawar and the key management team have extensive experience in the shipping industry and enjoy an excellent reputation in the market.

PSCL caters to the liquid cargo segment within the Shipping Sector. It owns seven medium sized product tankers and 1 suezmax size crude carrier. It caters to the transportation of clean as well as dirty crude liquid cargo. Total Dead Weight Tonnage (DWT) of the fleet is 406,202 tones. As a business strategy, the Company has employed its vessels on time charter with leading Indian Public Sector Oil Companies/foreign players. This ensures that the revenues and cash flows are insulated from short term volatility in freight rates and leads to extremely low counter party credit risk. Currently total fleet of MR vessels is employed on a time charter basis and the suezmax tanker will be ready for trading in spot markets on her completion of routine dry-dock.

The Company successfully serviced a 4 year Contract of Affreightment (COA) for transportation of about 3 million tons of clean petroleum products from New Mangalore to Mauritius on account of the State Trading Corporation, Mauritius.

We are exploring possibilities of bagging similar COA's for both crude oil as well as for petroleum products.

Growth trajectory is depicted below:



**2 COMPANY BACKGROUND****BRIEF HISTORY**

Pratibha Shipping Company Limited was incorporated on 20th February 1995 by Indian Technocrats from various fields to explore the business prospects in the Indian oil tanker market. The main promoter is Mr Sunil A Pawar, a Marine Engineer with more than 20 years experience in the industry. The Company is engaged in the business of operating and managing oil tankers and commenced its business with the acquisition of its first product tanker on 9th September 1995.

The Indian promoters entered into a joint venture with Anders Wilhelmsen (Mauritius) a subsidiary of AWILCO Group of Anders Wilhelmsen AS, Norway listed on NASDAQ, having global net-worth of about USD 10 billion.

On completion of initial five years, the foreign partner opined that the Indian operation was too small and time-consuming and hence decided to opt out of the joint venture by offering to Indian promoters their equity holdings. In December 2002, the Indian promoters settled the foreign debts and acquired 100% equity of the Company. The Company had one vessel at that time (MT Pratibha Cauvery). Subsequently the company multiplied her fleet to eight vessels. In the span of six years deadweight increased from 28,741 MT to 406,202 MT.

3 COMPANY VISION

- To adopt simple procedures for safe transportation / storage of oil cargo with concern / safety to life, marine environment and other properties.
- “To grow company’s assets in line with the economic growth and demand, with mutual benefits towards its business associates clients and principles by honouring commitments.”

4 COMPANY OBJECTIVES

- To serve our client to the best satisfaction in services we provide without compromising on safety and safeguard the marine environment
- To ensure compliance and work as per the regulation set by the flag state and classification society
- To endeavour to improve, simplify and better our operation to derive quality product of services by utilising the available resources in the best possible manner
- To adopt working practice that will ensure prevention of personnel injury or loss of life
- To adopt operating procedure that will ensure safe transportation of cargo at all times.

**5 COMPANY POLICIES**

- Aspire and remain committed to deliver desired quality services to benefit the needs of our clients & charterers.
- Endeavour to develop and upgrade the system to improve the performance
- Contribute in developing and improving the system by adopting simple advanced technology so as to translate and deliver the expected needs of our customer to their satisfaction
- Priorities safety at all levels while performing, conducting and operating the company owned vessels and prevent damages to any properties

6 HEALTH, SAFETY AND ENVOIRNMENT POLICIES**ORGANISATION'S POLICIES ARE:**

- We utilise the available resources in the best possible manner so as to ensure safety at sea and prevent damage to environment.
- Our working practices prevent personnel injury or loss of life.
- Our operating procedures ensure safe transportation of cargo and also that marine environment and other property is protected from damage.

OUR ORGANISATION SHALL ALWAYS:

- Aspire and remain committed to deliver desired quality services to benefit the needs of our clients, charterers, investors and shareholders.
- Endeavour to develop and upgrade the system to improve the performance
- Contribute in developing and improving the system by adopting simple advanced technology so to translate and deliver the expected needs of our customer to their satisfaction.
- Priorities safety at all level while performing, conducting and operating of the company owned vessels and prevent damages to any properties.

PSCL TAKES PRIDE TO ZERO INCIDENCE IN MARINE LIFE**DIVERSIFICATION PLANS**

- Along with the primary activities in oil sector, the Company is actively evaluating possibilities of entering into other areas like ship-building, infrastructure projects, construction, steel mill, coal and hospitality business as backward integration.
- The Company is evaluating various opportunities in shipping and oil exploration activities and has short-listed a few projects after extensive evaluation.

**7 SUBSIDIARY COMPANIES OF PRATIBHA SHIPPING**

The six subsidiary Companies of Pratibha Shipping Company Ltd are as under:

- ❖ Pratibha Logistics Private Limited
- ❖ Pratibha Oil & Natural Gas Private Limited
- ❖ Pratibha Offshore Private Limited
- ❖ Chandrabhaga Sugars Private Limited
- ❖ Pratibha Marine Private Limited
- ❖ Pratibha Logistics (S) Pte. Ltd. (Subsidiary in Singapore of Pratibha Logistics Private Limited)

Pratibha Logistics Private Limited has been established for diversification of business in Dry cargo sector. This company owns a panamax tanker which is being converted to a supramax size Dry-bulk carrier. There are plans to acquire some more bulk-carrier and enter vigorously into Dry-cargo shipping and also in trading activities like export of iron ore and import of coal.

Pratibha Oil & Natural Gas Private Ltd participated in NELP-VII and NELP-IX tender floated by the Directorate General of Hydrocarbons. The Directorate General of Hydrocarbons has declared the Company as a frontrunner for block CB-ONN-2010/04 Onland Type S Block in NELP-IX tender.

8 PROMOTERS BACKGROUND

Mr Sunil A Pawar, aged 48 years, is a technocrat promoter (qualified marine engineer) having an experience of over two decades in the shipping industry. After completing his marine engineering in 1985, during 1986 to 1992, he sailed worldwide as a marine engineer officer with various national and international shipping companies. He is also actively involved as an advisor to various Shipping Companies for tanker acquisitions and vessel deployments.

In 1994, he entered in joint collaboration with Anders Wilhelmsen, Norway and promoted a shipping company to cater the needs of Indian Oil Sector. He served the Company in his capacity as an Executive Director. In the year 2002, the shareholding of Norwegian partners has been taken over by the Indian promoters and since then Mr. Sunil A Pawar has been managing the Company as a Chairman & Managing Director. Under his dynamic leadership and entrepreneurship ability the Company has prospered and multiplied its fleet to eight vessels with total DWT of approx 406,202 tones.

**9 COMPANY PARTICULARS**

Date of Incorporation	20 th February 1995
Constitution	Public Limited company
Registered Office	1201-1202, Arcadia, 12 th Floor, NCPA Road, Nariman Point, Mumbai 400021
Auditors	M/s L.V Srinivasan & Associates
Bankers	State Bank of India, State Bank of Hyderabad, Axis Bank, Corporation Bank, COSMOS Bank, Saraswat Bank, YES Bank, Citi Bank and HDFC Bank.

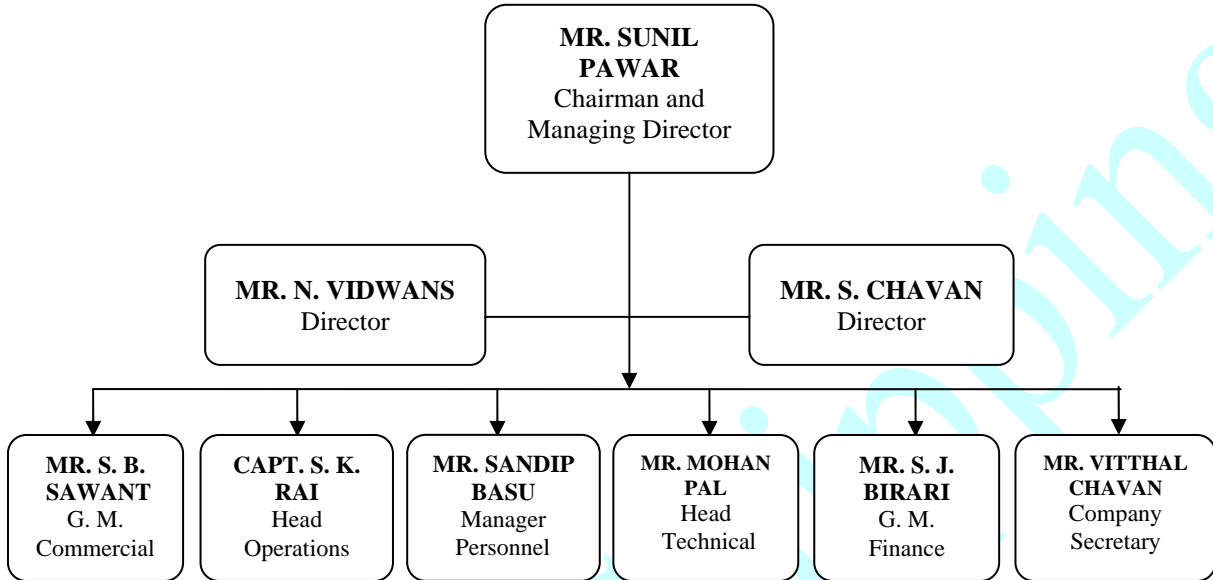
10 MANAGEMENT AND ORGANIZATIONAL SETUP**❖ BOARD OF DIRECTORS**

Pratibha Shipping Company Limited is managed by the Board of Directors consisting of 6 members of whom two directors are independent.

NAME	DESIGNATION
Mr. Sunil A Pawar	CMD
Mr. Madan A Pawar	Whole Time Director
Mr. Suresh A Pawar	Whole Time Director
Mr. Suhas A Pawar	Whole Time Director
Mr. Nilkanth B Vidwans	Independent Director
Mr. Sachin K Chavan	Independent Director



❖ **ORGANIZATIONAL SETUP**



**11 BUSINESS PROFILE****➤ AREA OF OPERATIONS**

The Company owns and operates oil tankers and caters to the oil industry transportation on Indian Coast and world wide. The Company is currently one of the 8 Indian tanker owning companies operating in the Indian Oil Tanker market. The Company currently has fleet of eight tankers comprising of 4GP, 3 MR and 1 LR1 vessels with a total DWT of 406,202 tones.

❖ FLEET DETAILS

NAME OF VESSEL	PRATIBHA CAUVERY	PRATIBHA CHANDRABHAGA	PRATIBHA INDRAYANI	PRATIBHA WARNA	PRATIBHA TAPI	PRATIBHA NEERA	PRATIBHA KOYNA	PRATIBHA BHEEMA
Year of Built	1981	1983	1983	1988	1987	1986	1992	1991
Built	Miniami, Japan	Pusan, Korea	France	Japan	Japan	Kherson, Russia	South Korea	Korea
Year of purchase	1996	2005	2005	2006	2006	2008	2008	2009
Hull	Double Hull	Double Hull	Double Hull	Double Sided	Double Sided	Double Hull	Double Hull	Double Hull
TECH DETAILS								
DWT (MT)	28741	34470	32042	40141	40156	28610	47071	154971
GRT (MT)	16949	22127	19245	23926	23926	18625	28223	79718
NRT (MT)	8051	9738	8890	11582	11582	8644	13568	46569
LOA (Mtr)	174	170.05	178.16	172.2	172.2	178.96	183.2	266.14
Beam (Mtr)	25.4	30	27.5	32.2	32.2	25.3	32.2	43.9
Draft (Mtr)	10.69	12.219	11.41	11.22	11.22	15	18	24.4
IMO no.	7920754	8026218	8100430	8400412	8700400	8724743	8913617	9000558
Call Sign	VWQU	AUJO	AUJP	AUOK	AUOJ	AUVU	AUXJ	AVET
Hull No.	M 536	3013	A 28	858	857	1408	S 176	725
Class	IRS	IRS/LLOYDS	IRS/DNV	IRS/BV	IRS/LLOYDS	IRS/DNV	IRS/DNV	IRS/DNV



❖ MANAGEMENT STRATEGY

As a business strategy to de-risk its business, the Company has employed its vessels on time charter with leading Public Sector Oil Companies/foreign players. While the earnings in long-term charters are normally lower than the prevailing spot market rates, time-charter arrangements ensure that the revenues and cash-flows are insulated from short-term volatility in freight rates and leads to extremely low counter party credit risk. It also avoids the possibility of incurring losses due to a ship being idle. Currently seven vessels are employed on a time charter basis and one vessel is trading on voyage / spot basis in the international market.

PSCL has consciously followed a policy of buying second-hand vessels. The advantages of this policy are low initial capital outlay and the ability to remain profitable even at low freight rates that prevail during a downturn in shipping cycle. Further, the payback period for the ships is also lower due to low break even point. PSCL has a track record of successfully operating the older ships and meeting all the operating parameters. The operating performance of its ships and their repairs and maintenance is monitored closely by in house technical expertise.

❖ VESSEL DEPLOYMENT

PSCL is at the fore front of the Indian coastal transportation of petroleum products. Given our strong position in the Indian market, we have been able to secure a coastal time charter, for six of our vessels, for a period of 15 months, with the Indian Oil industry, the details of which are provided below.

VESSEL	TYPE OF EMPLOYMENT	CHARTERER	CHARTER UP TO
Pratibha Cauvery	TC	IOCL	October 2012
Pratibha Indrayani	TC	HPCL	October 2012
Pratibha Chandrabhaga	TC	IOCL	October 2012
Pratibha Tapi	TC	HPCL	October 2012
Pratibha Warna	TC	IOCL	October 2012
Pratibha Neera	TC	HPCL	October 2012


















In addition to the above, our vessel, MT Pratibha Koyna has also been on a 20 months time charter with IOC, effected in October 2010.

VESSEL	TYPE OF EMPLOYMENT	CHARTERER	CHARTER UP TO
Pratibha Koyna	TC	IOCL	June – 12

Our suezmax vessel, MT Pratibha Bheema has been feverishly employed in the international market for petroleum transport. Having performed numerous voyages between the Arabian Gulf and the Indian coast, she is currently running on the spot market and employed in the transportation of petroleum products for the Indian oil majors like IOC, HPCL, BPCL, etc.



12 MAJOR CLIENTS

INTERNATIONAL CLIENTS		INDIAN CLIENTS	
	State Trading Corporation, Mauritius		Indian Oil Corporation Ltd
	Iran Petrochemical Commercial Company		Hindustan Petroleum Corporation Ltd
	Winsway, Singapore		Bharat Petroleum Corporation Ltd
	Glencore Singapore		Mangalore Refinery & Petrochemicals Ltd
	Abu Dhabi National Oil Company		Haldia Petrochemicals Ltd
	Chem Oil		Reliance Industries Ltd
	Hinchest Energy Pte Ltd Singapore		Essar Oil Ltd
	Galana Petroleum		
	Shell Global		
	Vitol		

**ANNEXURES****ANNEXURE I: PROFILE OF INDEPENDENT DIRECTORS**❖ **MR. NILKANTH B. VIDWANS**

Educational Qualification	B. Com , L.L.B
Experience	1975-1980 Worked with Sujwala Shipping Company Ltd 1980 -1992 Joined Garware Shipping Corporation Ltd 1992-1994 Joined Marine Management Services Private Limited as Head of the Department Finance 1995- Onwards Started a financial consultancy in primary and secondary market 2002- Onwards Independent Director Pratibha Shipping Company Limited

❖ **MR. SACHIN K. CHAVAN**

Professional Qualification	Chartered Accountant
Experience	1991-1993 Practicing as a Chartered Accountant and Associated with M/s. P.D Kunte & Co. CAs, 1994-1995 Joined Eurasia Shipping Company Limited, Hongkong The Company is owned by Shulte Group of Germany 1996-1997 Associated with M/s. Aneja Associates , Cas Major works handled Extensive Internal Audit Assignments of NRB Bearings Ltd. Deepak Fertilisers & Petrochemicals Chemicals Ltd, Milton Plastics Ltd. Bajaj Hindlamps Ltd. Etc. 1998- Onwards Practicing independently as a Chartered Accountant Director Fleet Personnel Private Limited Independent Director Pratibha Shipping Company Limited



PRATIBHA CAUVERY





PRATIBHA CHANDRABHAGA





PRATIBHA INDRAYANI





PRATIBHA WARNA





PRATIBHA TAPI





PRATIBHA NEERA





PRATIBHA KOYNA





PRATIBHA BHEEMA

