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May 30, 2017

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

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

Sub: Outcome of Board Meeting

Dear Sir,

This is to inform you that the Board of Directors of the Company at its meeting held today, has inter-alia, approved the following:

1. Audited Annual Accounts, Standalone and consolidated, for the year ended on March 31, 2017;
2. Recommended dividend @5% i.e. Rs.0.05/- per share on equity shares of Rs.1/- each for the financial year ended on March 31, 2017.
3. Recommended for approval of Members of the Company at their ensuing Annual General Meeting, appointment of M/s. Singhi & Co. (FRN: 302049E), Chartered Accountants, as Statutory Auditors of the Company for a term of five years from the conclusion of 33rd Annual General Meeting upto the conclusion of 38th Annual General Meeting of the Company.
   The term of present Statutory Auditors M/s. CNK & Associates LLP, expires at the conclusion of ensuing Annual General Meeting and as per Section 139 of the Companies Act, 2013, they are not eligible for further appointment;

   Brief profile of the firm as per Regulation 30 read with Part A of Schedule III and SEBI Circular No.CIR/CFD/CMD/4/2015 dated September 9, 2015 of the Listing Regulations.

   'M/s. Singhi & Co (FRN:302049E) is a partnership firm of Chartered Accountants, which has been in profession for several decades. The firm has offices in 6 cities in India with over 600 people. The locations are Kolkata, New Delhi, Mumbai, Chennai, Bangalore, and Guwahati. The Mumbai office is at B2 402B, Marathon Innova 4thFloor, Off G. K. Marg, Lower Parel, Mumbai -400 013. The firm has 25 partners as at May 22, 2017.'

The meeting of the Board of Directors was commenced at 10:00 p.m. and concluded at 11:55 p.m.

Please acknowledge.

Thanking you,

Yours faithfully,
For **Mercator Limited**

Suhas Pawar
Company Secretary

MERCATOR LIMITED
(CIN : L63090MH1983PLC031418)
31 Mittal Tower - B, Nariman Point, Mumbai - 400021, India. Tel: +91 22 66373333 Fax: +91 22 66373344 mercator@mercator.in

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Sub: Audited Financial Results (Standalone & Consolidated) for the quarter/year ended March 31, 2017

Dear Sir,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following

- Statements showing the Audited Financial Results for the quarter/ year ended March 31, 2017;
- Auditors Report on the Audited Financial Results – Standalone and Consolidated for the quarter/ year ended March 31, 2017.

The meeting of the Board of Directors was commenced at 10:00 p.m. and concluded at 11:55 p.m.

Please acknowledge.

Thanking you,

Yours faithfully,
For **Mercator Limited**

Suhas Pawar
Company Secretary

Encl: as above

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Mercator Limited

Regd. Office: 3rd Floor, Mittal Tower, B-wing, Nariman Point, Mumbai-400021. Tel: 022-66373333

PART I - Statement Of Audited Financial Results For Quarter/ Year Ended March 31, 2017

(Rs. in Lakhs)

Sr. No.	Particulars	Consolidated Year Ended 31-Mar-17	Consolidated Year Ended 31-Mar-16
		Audited	Audited
1	**Income from operations :**		
	(a) Shipping Income	96,897.27	145,215.60
	(b) Sale of coal	114,641.45	125,426.16
	(c) Other operating income		
	Total Income from operations (net)	**211,538.72**	**270,641.76**
2	**Expenses**		
	(a) Employee benefits expense	3,599.28	6,306.06
	(b) Operating expenses	28,195.36	70,257.39
	(c) Bunker cost	8,883.42	10,667.70
	(d) Vessel Hire charges	3,423.05	4,955.40
	(e) Coal Operating expenses	97,861.01	119,547.80
	(f) Other expenses	10,754.66	17,890.06
	(g) Depreciation and amortisation expense	31,863.65	77,628.50
	Total expenses	184,580.43	307,252.91
3	**Profit /(Loss) from operations before other income ,finance costs, exceptional items and tax**	**26,958.29**	**(36,611.15)**
4	Other Income	1,395.15	(44,888.78)
	(a) Gain on foreign currency transactions (net)	(202.46)	(1,290.44)
	(b) Profit/(loss) on sale of assets	(13,162.15)	(44,844.74)
	(c) Profit/(loss) on sale of investments	(57.50)	1.63
	(d) Other income	14,817.26	1,244.77
5	**Profit/(Loss) from ordinary activities before finance costs, exceptional items and tax (3 + 4)**	**28,353.44**	**(81,499.93)**
6	Finance costs (net)	22,436.08	26,645.64
7	**Profit/(Loss) from ordinary activities before ,exceptional items and tax (5 - 6)**	**5,917.36**	**(108,145.57)**
8	Exceptional Items	915.62	-
9	**Profit/(Loss) from ordinary activities before tax (7 - 8)**	**5,001.74**	**(108,145.57)**
10	Tax expense		
	Current	2,002.59	248.73
	Deferred	117.65	771.36
11	**Net Profit /(Loss) from ordinary activities after tax (9 - 10)**	**2,881.50**	**(109,165.66)**
12	Extraordinary items	-	-
13	**Net Profit /(Loss) for the period (11 + 12)**	2,881.50	(109,165.66)
14	Minority interest	423.43	(20,960.72)
15	**Net Profit /(Loss) after taxes, minority interest and share of profit / (loss) of associates (13 - 14)**	2,458.07	(88,204.94)
16	**Other Comprehensive Income/(Expenses) Net of Tax**	(43.33)	131.13
17	**Total Comprehensive Income (15+16)**	2,414.74	(88,073.81)
18	Paid -up equity share capital (Face Value Re. 1/- each)	2,698.92	2,448.92
19.i	**Earnings per share (before extraordinary items) (of Re.1/- each) (not annualised):**		
	(a) Basic (Rs.)	0.89	(35.96)
	(b) Diluted (Rs.)	0.89	(35.96)
19.ii	**Earnings per share (after extraordinary items) (of Re.1 /- each) (not annualised):**		
	(a)Basic (Rs.)	0.89	(35.96)
	(b) Diluted (Rs.)	0.89	(35.96)

CNK & ASSOCIATES LLP Chartered Accountants MUMBAI

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PART I - Statement Of Audited Financial Results For Quarter/ Year Ended March 31, 2017

(Rs. in Lakhs)

Sr. No.	Particulars	Standalone				
		Quarter Ended			Year Ended	
		31-Mar-17	31-Dec-16	31-Mar-16	31-Mar-17	31-Mar-16
		Audited	Unaudited	Audited	Audited	Audited
1	**Income from operations :**					
	(a) Shipping Income	13,540.27	14,301.06	12,807.76	53,833.15	58,864.38
	Total Income from operations (net)	**13,540.27**	**14,301.06**	**12,807.76**	**53,833.15**	**58,864.38**
2	**Expenses**					
	(a) Employee benefits expense	414.89	351.43	492.47	1,501.32	2,043.91
	(b) Operating expenses	5,295.17	4,004.31	3,882.35	18,386.51	20,113.08
	(c) Bunker cost	2,151.72	2,282.36	2,323.45	8,883.42	8,023.83
	(d) Vessel Hire charges	1,346.50	726.25	269.47	3,423.05	3,797.37
	(e) Other expenses	852.26	172.37	667.58	2,054.06	1,952.73
	(f) Depreciation and amortisation expense	3,671.64	3,761.23	3,244.84	14,727.65	12,724.26
	Total expenses	13,732.18	11,297.95	10,880.16	48,976.01	48,655.18
3	**Profit /(Loss) from operations before other income ,finance costs, exceptional items and tax**	**(191.91)**	**3,003.11**	**1,927.60**	**4,857.14**	**10,209.20**
4	Other Income	838.79	297.16	(190.30)	669.38	(322.40)
5	**Profit/(Loss) from ordinary activities before finance costs, exceptional items and tax (3 + 4)**	**646.88**	**3,300.27**	**1,737.30**	**5,526.52**	**9,886.80**
6	Finance costs (net)	1,595.33	2,255.96	1,998.38	7,565.44	7,309.51
7	**Profit/(Loss) from ordinary activities before ,exceptional items and tax (5 - 6)**	**(948.45)**	**1,044.31**	**(261.08)**	**(2,038.92)**	**2,577.29**
8	Exceptional Items	-	915.62	-	915.62	-
9	**Profit/(Loss) from ordinary activities before tax (7 - 8)**	**(948.45)**	**128.69**	**(261.08)**	**(2,954.54)**	**2,577.29**
10	Tax expense					
	Current	20.00	25.00	15.00	100.00	100.00
	Deferred	-	-	-	-	-
11	**Net Profit /(Loss) from ordinary activities after tax (9 - 10)**	**(968.45)**	**103.69**	**(276.08)**	**(3,054.54)**	**2,477.29**
12	Extraordinary Items	-	-	-	-	-
15	**Net Profit /(Loss) after taxes, minority interest and share of profit / (loss) of associates (13 - 14)**	(968.45)	103.69	(276.08)	(3,054.54)	2,477.29
13	**Other Comprehensive Income/(Expenses) Net of Tax**	(60.85)	-	125.05	(60.85)	125.05
14	**Total Comprehensive Income (15+16)**	(1,029.30)	103.69	(151.03)	(3,115.39)	2,602.34
15	Paid -up equity share capital (Face Value Re. 1/- each)	2698.92	2448.92	2448.92	2698.92	2448.92
16	Debt Service Coverage Ratio				0.51	0.77
17	Interest Service Coverage Ratio				2.56	3.09
18	Debt Equity Ratio				1.23	1.32
19.i	**Earnings per share (before extraordinary items) (of Re.1/- each) (not annualised):**					
	(a) Basic (Rs.)	(0.38)	0.04	(0.06)	(1.15)	1.06
	(b) Diluted (Rs.)	(0.38)	0.04	(0.06)	(1.15)	1.06
19.ii	**Earnings per share (after extraordinary items) (of Re.1 /- each) (not annualised):**					
	(a)Basic (Rs.)	(0.38)	0.04	(0.06)	(1.15)	1.06
	(b) Diluted (Rs.)	(0.38)	0.04	(0.06)	(1.15)	1.06

CNK & ASSOCIATES LLP Chartered Accountants MUMBAI

Mercator Limited

Regd. Office: 3rd Floor, Mittal Tower, B-wing, Nariman Point, Mumbai-400021. Tel: 022-66373333

Standalone /Consolidated Statement of Assets and Liabilities

(Rs. in Lakhs)

Particulars	CONSOLIDATED As at 31/03/2017 Unaudited	CONSOLIDATED As at 31/03/2016 Unaudited
A. ASSETS :		
I. Non-current assets :		
(a) Property Plant & Equipment	186,293.65	265,823.23
(b) Investment Property	125.30	142.96
(c) Capital work in progress	69,407.15	68,780.01
(d)Other Intangible Assets	19.53	32.36
(d) Financial Assets		
(i) Investments	0.13	71.08
(ii) Loans & Advances	1,733.51	1,302.08
(iii) Other Financial Assets	270.39	609.29
(e) Deferred tax assets (net)	(393.72)	(321.02)
(f) Other non-current assets	21,465.74	22,563.60
Total-Non-current assets	278,921.67	359,003.59
II. Current assets :		
(a) Inventories	1,784.76	1,921.41
(b) Financial Assets	-	-
(i) Trade Receivables	39,026.26	57,870.10
(ii) Cash & Cash equivalents	9,187.80	6,078.10
(iii) Bank Balance other than (ii) above	3,753.08	3,466.29
(iv) Loans	165.85	5,276.36
(v) Others	6,961.93	9,059.07
(vi) Others Current Investment	18,586.25	-
(c)Other current assets	35,428.92	39,001.83
Total-Current assets	114,894.85	122,673.16
TOTAL ASSETS	393,816.52	481,676.75
B. EQUITY AND LIABILITIES :		
I . EQUITY :		
(a) Equity Share capital	2,698.92	2,448.92
(b) Other Equity	102,286.52	89,154.16
Total Equity	104,985.44	91,603.08
II . LIABILITIES :		
1. Non -current liabilities		
(a) Financial Liabilities		
(i) Borrowings	119,957.64	157,569.63
(ii) Other Financial Liabilities	4,245.48	5,343.21
(b) Provisions	439.40	398.50
Total-Non-current liabilities	124,642.52	163,311.34
2. Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	42,281.76	49,247.58
(ii) Trade Payables	19,240.16	82,182.86
(iii) Other Financial Liabilities	91,221.62	84,252.10
(b) Provisions	867.88	384.95
(c) Other Current liabilities	10,577.14	10,694.83
Total Current liabilities	164,188.56	226,762.32
TOTAL-EQUITY AND LIABILITIES	393,816.52	481,676.74

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Standalone /Consolidated Statement of Assets and Liabilities

(Rs. in Lakhs)

Particulars	STANDALONE As at 31/03/2017 Unaudited	STANDALONE As at 31/03/2016 Unaudited
A. ASSETS :		
I. Non-current assets :		
(a) Property Plant & Equipment	105,378.19	115,227.88
(b) Investment Property	125.30	142.96
(c) Capital work in progress	-	-
(d) Financial Assets	-	-
(i) Investments	4,644.99	3,444.67
(ii) Loans & Advances	28,571.92	17,668.46
(iii) Other Financial Assets	250.52	601.02
(e) Deferred tax assets (net)	-	-
(f) Other non-current assets	17,783.56	16,107.30
Total-Non-current assets	156,754.48	153,192.29
II. Current assets :		
(a) Inventories	1,014.94	876.58
(b) Financial Assets		
(i) Trade Receivables	17,429.21	16,754.13
(ii) Cash & Cash equivalents	3,229.91	777.97
(iii) Bank Balance other than (ii) above	3,637.38	553.07
(iv) Loans & Advances	6,504.36	5,273.30
(v) Other Financial Assets	6,954.04	8,885.31
(c)Other current assets	3,968.99	2,261.34
Total-Current assets	42,738.83	35,381.70
TOTAL ASSETS	199,493.31	188,573.99
B. EQUITY AND LIABILITIES :		
I . EQUITY :		
(a) Equity Share capital	2,698.92	2,448.92
(b) Other Equity	79,461.67	72,746.65
Total Equity	82,160.59	75,195.57
II . LIABILITIES :		
1. Non -current liabilities		
(a) Financial Liabilities		
(i) Borrowings	75,853.65	70,105.73
(ii) Other Financial Liabilities	18.00	527.44
(b) Provisions	178.97	185.06
Total-Non-current liabilities	76,050.62	70,818.23
2. Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	8,345.65	5,008.21
(ii) Trade Payables	12,746.82	10,137.47
(iii) Other Financial Liabilities	19,191.70	26,488.84
(b) Provisions	114.07	34.47
(c) Other Current liabilities	883.86	891.20
Total Current liabilities	41,282.10	42,560.19
TOTAL-EQUITY AND LIABILITIES	199,493.31	188,573.99

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Notes:

1) These results have been reviewed by the Audit committee and approved by the Board of Directors at its meeting held on May 30, 2017.

2) The Company has adopted Indian Accounting Standards (Ind-AS) with the transition date of April 1, 2015. Accordingly, the financial results for the quarter/period ended March 31, 2016 and March 31, 2017 have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated July 5, 2016. The reconciliation of net profit for the quarter/period ended March 31, 2016 under IndAS and previous Indian GAAP is as follows:

(Rs. in Lakhs)

Particulars	Consolidate Year ended 31/03/2016	Standalone Year ended 31/03/2016
Net Profit after tax as per previous GAAP	(89,012.65)	1,687.02
Effect of Dry Dock expenses as per IND-AS 16 - Property Plant and Equipment	1,396.90	1,396.90
Effect of Interest as per IND-AS 109 - Financial Instruments	(1,123.38)	(1,123.38)
Effect of Forieng Exchange as per IND-AS 21 - Effect of Changes in Foreign	642.19	642.19
Reclassification of netacturial gain/loss on employee defined benefit obligations	(131.12)	(125.05)
Net Profit after tax as per IND-AS	(88,228.06)	2,477.67
Other Comprehensive income	(131.12)	125.05
Total Comprehensive income after tax	(88,096.94)	2,602.73

3) The reconcilition of equity as previously reported (refreed to as "Previous GAAP) and the equity as per IND AS is as per the table below:

(Rs. in Lakhs)

Particulars	Consolidate Year ended 31/03/2016	Standalone Year ended 31/03/2016
Total Shareholders Fund as per previous GAAP (Indian GAAP)	85,148.00	71,691.75
Impact of Loan reinstatement	2,679.00	2,679.50
Impact of Exchange fluctuation	256.00	256.06
Impact of Dividend	295.00	294.75
Effect of Dry Dock Expenses as per IND-AS 16 - Property Plant & Equipment	1,397.00	1,396.90
Effect of Interest as per IND-AS 109- Financial Instruments	(1,123.00)	(1,123.39)
Total Adjustments	3,504.00	3,503.82
Total Shareholders Fund as per previous IND-AS	88,651.00	75,195.57

4) The Company has identified segments into Shipping (includes tanker and dredger), Offshore and Coal (includes mining, procurement and logistics). The ships are operating internationally. The performance of the segment is monitored on the basis of primary segment only.

5) The figures of the previous period/ year have been rearranged / regrouped wherever necessary to confirm to current vears classification.

6) The Statutory Auditor has issued Unmodified Opinion on Standalone Annual Financial Results and Modified Opinion on Consolidated Annual Financial Result.

7) The Company has in one of its step down subsidiaries has classified investments as available for sale. The Fair Market Value of the said investment has been determined by independent valuer. The diffrence between Fair Market Value & Cost of Investment Amounting to Rs. 136.75 Crores has been recognised as unrealised gain in the books of said step down subsidiaries

8) Figures included in the Standalone Results for the quarter ended March 31, 2017 are balancing figures between the audited figures in respect of the Full Financial year and the published year to date figures of the third quarter of the relevant financial Year also the figures upto the end of the third quarter had only been reviewed and not subiected to audit.

9) The Standalone and Consolidated financial results are available on the website of Company, www.mercator.in and websites of the Exchanges, www.bseindia.com and www.nseindia.com

10) The Board of Directors have recommended a dividend @ 5% i.e. Re. 0.05/- per share on 26,98,92,073 Ordinary Shares of Re. 1 each for the Financial Year 2016-17

For Mercator Limited

H. K. Mittal
Executive Chairman
30-May-17
Mumbai

CNK & ASSOCIATES LLP Chartered Accountants MUMBAI

CNK & Associates LLP
Chartered Accountants

Mistry Bhavan, 3rd Floor, Dinshaw Vachha Road, Churchgate, Mumbai - 400 020.
Tel.: +91-22-6623 0600 / 2202 8843

Narain Chambers, 5th Floor. M. G. Road, Vile Parle (E), Mumbai - 400 057.
Tel.: +91-22-64577600

Auditor's Report On Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of Mercator Limited

1. We have audited the statement of consolidated financial results of Mercator Limited ("the Company") and subsidiaries (the Holding Company and the subsidiaries collectively referred to as "the Group") for the quarter ended March 31, 2017 and the consolidated year to date results for the period April 1, 2016 to March 31, 2017, ("the statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement which is the responsibility of the company's management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind-AS) prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts disclosed in financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.

3. **Basis of Qualified Opinion**
   a) For the purpose of consolidation, the unaudited financial statements of one step-down subsidiary have been considered by the management. We have solely relied on such financial statements as approved by the management of the said subsidiary where in the Group's share of Net Assets of Rs. 18,586 lakhs as at March 31, 2017, Revenues of Rs. 13,675 lakhs and profit for the year of Rs.13,669.42 lakhs for the year ended on that date in the Consolidated Financial Statements. Accordingly, our assurance on the Statement in so far as it relates to the amounts included in respect of the subsidiary is based solely on the report of the management of this subsidiary which has been furnished to us.

CNK & ASSOCIATES LLP Chartered Accountants MUMBAI

b) In case of a step down subsidiary, the auditors have qualified their report regarding the recoverability and non-provision of impairment loss in case of long overdue Trade receivables amounting to Rs. 7,297.01 lakhs (USD 11.25Mn) (PYr Rs.9212.85 Lakhs (USD 13.89 Mn)) and dispatch income of Rs. 648.32 lakhs (USD 0.99 Mn) recognized in the current year.

c) In case of two step down subsidiaries the respective auditors have raised a concern regarding the recoverability of deposits amounting to Rs 2,195.92 lakhs (USD 3.39 Mn) paid to acquire 70% equity interests in companies which own coal mining concessions.

4. **Qualified Opinion**

Except for the possible effects of the matters stated in the Basis of qualified opinion paragraph, the financial statements give a true and fair view of the Group as at March 31, 2017

5. **Emphasis of Matter**

In case of certain subsidiaries, the respective auditors have pointed out that the concerned financial statements have been prepared on the going concern basis, in view of representation by the management that the financial support and undertaking from the ultimate holding company will be available to enable the respective companies to address cash flow mismatches.

In case of a step-down subsidiary, the auditors have stated in their report that Rs.1,037.42 lakhs (US$ 1.6 Mn) is not provided in the financial statements of the respective subsidiary in respect of claim awarded in favour of third party based on the management's view that the company has strong case and has determined to appeal to set aside the award.

6. **Other matters**

The Statement includes unaudited results of six subsidiaries which have been consolidated on the basis of management certified financial statements whose financial statement reflect total assets (net) of Rs. 3,747.67 lakhs and total revenue of Rs. Nil for the year ended March 31, 2017

We did not audit the financial statements of twenty-three subsidiaries included in the statement, whose financial statements reflect total assets of Rs. 90,755.16 lakhs and total revenue of Rs.140,570.19 lakhs for the year ended March 31, 2017. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us and our opinion on the quarterly financial results and the year to

CNK & ASSOCIATES LLP Chartered Accountants MUMBAI

date results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

The Statement does not include financial statements of two subsidiaries which, as per information and explanations given to us by the management, do not have any transactions that are material to the statement.

7. In our opinion and to the best of our information and according to the explanations given to us , except to the extent of possible effects of the matters stated in paras 3 above, the statement:

   i. includes the quarterly financial results and year to date of the entities as annexed to this report;

   ii. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

   iii. gives a true and fair view of the net profit and other financial information for the quarter ended March31, 2017 as well as the year to date results for the period from April 1, 2016 to March 31, 2017

For CNK & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No. 37391
Place: Mumbai
Date: 30th May, 2017

CNK & ASSOCIATES LLP Chartered Accountants MUMBAI

ANNEXURE TO THE LIMITED REVIEW REPORT

A) Subsidiaries (held directly)

1. Mercator Oil and Gas Limited.
2. Mercator Petroleum Limited.
3. Oorja Resources India Private Limited.
4. Mercator FPSO Private Limited.
5. Mercator International Pte. Limited.
6. Mercator Global Pte Limited (Upto 7th November, 2016)

B) Subsidiaries (held indirectly)

1. Offshore Holding Company Pte. Limited.
2. Brio Resources Pte Limited.
3. Oorja Holdings Pte. Limited.
4. Mercator Energy Pte Limited.
5. Mercator Projects Pte. Limited. (Upto 17th March 2017)
6. Mercator Offshore Assets Holding Pte Limited
7. Mercator Okwok FPU Pte Limited. (Upto 3rd March 2017)
8. Mercator Okoro FPU Pte Limited. (Upto 3rd March 2017)
9. Mercator Offshore (P) Pte Limited.
10. Ivorene Oil Services Nigeria Limited. (Upto 20th February 2017)
11. Panther Resources Pte Limited.
12. Oorja (Batua) Pte. Limited.
13. Oorja 1 Pte. Limited.
14. Oorja 2 Pte. Limited.
15. Oorja 3 Pte. Limited.
16. Oorja Mozambique Lda
17. MCS Holdings Pte. Ltd.
18. PT Karya Putra Borneo
19. PT Indo Perkasa
20. Oorja IndoPetangis Four
21. Oorja IndoPetangis Three
22. PT Mincon Indo Resources
23. Bima Gema Permata, PT
24. Nuansa Sakti Kenkana
25. Oorja Indo KGS
26. Broadtec Mozambique Minas Lda
27. Marvel Value International Limited

CNK & Associates LLP
Chartered Accountants

Mistry Bhavan, 3rd Floor, Dinshaw Vachha Road, Churchgate, Mumbai - 400 020.
Tel.: +91-22-6623 0600 / 2202 8843

Narain Chambers, 5th Floor. M. G. Road, Vile Parle (E), Mumbai - 400 057.
Tel.: +91-22-64577600

Auditor's Report on Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of Mercator Limited

We have audited the statement of Standalone financial results of Mercator Limited ("the Company") for the quarter ended March 31, 2017 and the year to date results for the period April 1, 2016 to March 31, 2017, ("the statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement which is the responsibility of the company's management and approved by the Board of Directors, has been prepared on the basis of the related Standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Attention is invited to Note 8 of the Statement regarding figures for the quarter ended March 31, 2017, being balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement:

(i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard ; and

(ii) gives a true and fair view of the net loss and other financial information for the quarter ended March 31, 2017 as well as the year to date results for the period from April 1, 2016 to March 31, 2017.

For CNK & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No. 37391
Place: Mumbai
Date: 30th May, 2017

CNK & ASSOCIATES LLP Chartered Accountants MUMBAI

MERCATOR
www.mercator.in

May 30, 2017

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

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

Sub: Statement of Impact under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Please find enclosed herewith the Statement of Impact of Audit Qualifications for the Financial Year ended March 31, 2017 on Consolidated Financial Result in compliance with Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016.

Please acknowledge.

Thanking you,

Yours faithfully,
For **Mercator Limited**

Suhas Pawar
Company Secretary

Encl: as above

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Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 on Consolidated Financial Result [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

Rs. in lakhs

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	211,538.72	211,538.72
	2	Total Expenditure	184,580.43	184,580.43
	3	Net Profit/(Loss)	2,881.50	2,881.50
	4	Earnings Per Share (in Re.)	0.89	0.89
	5	Total Assets	393,816.52	393,816.52
	6	Total Liabilities	393,816.52	393,816.52
	7	Net Worth	99,192.67	99,192.67

II.	**Audit Qualification (each audit qualification separately):**	
	a	**Details of Audit Qualification:**
		a. For the purpose of consolidation, the unaudited financial statements of one step-down subsidiary have been considered by the management. We have solely relied on such financial statements as approved by the management of the said subsidiary where in the Group's share of Net Assets of Rs. 18,586 lakhs as at March 31, 2017, Revenues of Rs. 13,675 lakhs and profit for the year of Rs.13,669.42 lakhs for the year ended on that date in the Consolidated Financial Statements. Accordingly, our assurance on the Statement in so far as it relates to the amounts included in respect of the subsidiary is based solely on the report of the management of this subsidiary which has been furnished to us.
		b. In case of a step down subsidiary, the auditors have qualified their report regarding the recoverability and non-provision of impairment loss in case of long overdue Trade receivables amounting to Rs. 7,297.01 lakhs (USD 11.25Mn) (PYr Rs.9212.85 Lakhs (USD 13.89 Mn)) and dispatch income of Rs. 648.32 lakhs (USD 0.99 Mn) recognized in the current year.
		c. In case of two step down subsidiaries the respective auditors have raised a concern regarding the recoverability of deposits amounting to Rs 2,195.92 lakhs (USD 3.39 Mn) paid to acquire 70% equity interests in companies which own coal mining concessions.
	b	**Type of Audit Qualification: Qualified Opinion**
	c	**Frequency of qualification: a) first time;** **b) Repetitive;** **c) Repetitive**
	d	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:**
		a. The respective step down subsidiary is in the process of getting its accounts audited.
		b. The Management is reasonably confident of the recovery of these receivables amounting to Rs. 7297.01 lakhs (USD 11.25Mn)) (PYr Rs.9212.85 Lakhs (USD 13.89 Mn)) and dispatch income of Rs. 648.32 lakhs (USD 0.99 Mn) recognized in the current year.
		c. The Management is reasonably confident of the recoverability of those advances amounting to Rs. 2,195,92 lakhs (USD 3.39 Mn)
	e	**For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable**
	(i)	Management's estimation on the impact of audit qualification:
	(ii)	If management is unable to estimate the impact, reasons for the same:
	(iii)	Auditors' Comments on (i) or (ii) above:
III.	**Signatories:**	

For Mercator Limited **H. K. Mittal** **Executive Chairman**	**For Mercator Limited** **Kiran Vaidya** **Chief Financial Officer**
For Mercator Limited **M. M. Agrawal** **Audit Committee Chairman**	**For CNK & Associates LLP** **Chartered Accountants** **Himanshu Kishnadwala** **Partner** **Membership No.37391**

CNK & ASSOCIATES LLP Chartered Accountants MUMBAI

Place: Mumbai
Date: 30/05/2017