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June 1, 2016

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, 2016 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**

Deepesh Joishar
Company Secretary

Encl: as above

MERCATOR

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016 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	268,847.84	268,847.84
	2	Total Expenditure	377,801.12	377,801.12
	3	Net Profit/(Loss)	(109,973.37)	(109,973.37)
	4	Earnings Per Share (in Re.)	(36.35)	(36.35)
	5	Total Assets	481,804.67	481,804.67
	6	Total Liabilities	393,705.44	393,705.44
	7	Net Worth	85,147.66	85,147.66
	8	Any other financial item(s) (as felt appropriate by the management)		

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

a. Recoverability of the deposits paid by two step down subsidiaries amounting to Rs.2103.89 lakhs (USD3.17 Mn) to acquire 70% equity interest in the companies which own concessions for coal mining

b. Recoverability of long overdue trade receivables by one step down subsidiary amounting to Rs. 9212.85 lakhs (USD 13.89 Mn) for which no allowance for impairment has been made

b. Type of Audit Qualification: Qualified Opinion

c. Frequency of qualification: First time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

a. The Management is reasonably confident of the recoverability of those advances amounting to Rs. 2,103.89 lakhs

b. The Management is reasonably confident of the recovery of these receivables amounting to Rs. 9,212.85 lakhs

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 CEO/Managing Director	For Mercator Limited Kishor Shah Group CFO
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: 30/05/2016