

September 20, 2017

To,
**The Singapore Exchange Securities
Trading limited**
2, Shenton Way,
#19-00, SGX Centre 1,
Singapore – 068804

Re: USD 16,000,000 4.75% Convertible Bonds Due 2019 ("The Bonds")
Sub: Revision in Credit Rating

Dear Sir,

This is to inform you that Credit Analysis and Research Ltd. (CARE) has revised Company's rating for long term Bank facilities / NCDs to CARE BBB+ (CARE Triple B plus) whereas rating for short term bank facilities remains unchanged i.e. CARE A3+ (CARE A Three Plus). The rating denotes stable outlook. The rating is revised from CARE BBB (under credit watch with developing implications) and removed from credit watch.

As per CARE, the rating has been revised in view of positive impact on the capital structure of the Company (consolidated) as at end of FY17 by reduction on the high cost debt and improvement of the financial coverage ratios. Further, there has been improvement in performance of all the business segments during FY17. The ratings of the Company continue to derive strength from long track record of the company along with experienced promoters & management and its diversified revenue profile.

Please acknowledge the same.

Thanking You,

For Mercator Limited



Suhas Pawar
Company Secretary