

18 March 2016

To
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Mumbai 400 051

Bombay Stock Exchange Limited
1st Floor, Rotunda Building, Dalal
Street, Fort, Mumbai 400 001

Dear Sir/ Madam,

Subject: Company clarification re. recent Government's notification banning certain drugs.

Dear Sir,

This is to inform you that the Government of India vide its notifications No. 861 (E) & 909 (E) dated 10 March 2016 has prohibited manufacture for sale, sale and distribution of drugs having combinations of Bromhexine + Phenylephrine + Chlopheniramine Maleate & Chlopheniramine Maleate + Codeine Syrup respectively.

In view of the above notifications the Company's 2 drugs viz. Cosome Expectorant and Cosome LCD have been banned from manufacturing and sale. The Company has immediately stopped the manufacture and sale of these drugs.

These drugs viz. Cosome Expectorant and Cosome LCD were manufactured by the Company after having requisite license from the State FDA. The above drugs are having well established efficacy and safety profile over the years in the Indian markets.

The above prohibition to manufacture and sale, and likely sales return of these drugs will not have a material impact on the revenue and profitability of the Company.

This is also to clarify that the information published in the certain media reports about some other drugs manufactured and sold by Merck other than the above two drugs is incorrect.

We are exploring all our options to deal with these prohibitory orders.

This is for your information and necessary dissemination.

Thanking You,

For **Merck Limited**



Jeevan Mondkar

Manager (Legal & Secretarial)



Merck Limited