

October 30, 2018

The National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla Complex
Mumbai 400051

Bombay Stock Exchange Limited
1st floor, Rotunda Building, Dalal Street
Fort, Mumbai 400001

Dear Sir/Madam,

Sub: Outcome of the Board meeting held today.

With reference to the above captioned subject, we are enclosing herewith a copy of un-audited Financial Results along with the Limited Review Report for the period ended September 30, 2018 as approved by the Board of Directors of the Company at its meeting held on October 30, 2018.

The Un-audited Financial Results will be published in the newspapers within the stipulated time as per the SEBI Listing Regulations.

The meeting commenced at 3.30 p.m. and concluded at 5.15 p.m.

This is for your information and records.

Kindly take the same on record.

Thanking you,

**Yours faithfully,
For Merck Limited**



Vikas R. Gupta
General Counsel & Company Secretary
Encl : As above



Merck Limited

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Godrej One, 8th Floor, Pirojshanagar
Eastern Express Highway, Vikhroli East
Mumbai 400079, India.
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www.merck.co.in
CIN: L99999MH1967PLC013726



MERCK LIMITED

Regd. Office: Godrej One, 8th Floor, Eastern Express Highway, Pirojshanagar, Vikhroli (East), Mumbai : 400 079.
CIN No. L99999MH1967PLC013726, email: corpsec@merckgroup.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2018

(Rs in millions)

Sr. No.	Particulars	3 months ended	3 months	Corresponding	Nine months	Nine months	Previous year
		30/09/2018	ended	3 months ended	ended	ended	ended
		Unaudited	30/06/2018	3 months ended	30/09/2018	30/09/2017	ended
			Unaudited	30/09/2017	Unaudited	Unaudited	31/12/2017
				Unaudited			Audited
1.	Revenue from Operations	2,261.48	2,202.88	2,058.46	6,446.02	5,329.12	7,114.68
2.	Other Income	60.70	57.69	46.13	172.13	165.51	240.70
3.	Total Income (1+2)	2,322.18	2,260.57	2,104.59	6,618.15	5,494.63	7,355.38
4.	Expenses						
	a) Cost of materials consumed	519.11	643.42	523.20	1,822.39	1,447.42	1,853.00
	b) Purchases of stock-in-trade	75.70	65.93	76.46	220.59	256.61	376.50
	c) Changes in inventories of finished goods, work-in-progress and stock in trade	109.57	(19.85)	179.84	(14.36)	166.78	139.90
	d) Excise duty	-	-	-	-	133.40	133.40
	e) Employee benefits expense	289.01	338.67	287.48	929.66	818.30	1,098.80
	f) Depreciation and amortisation expense	43.22	48.94	48.07	164.90	140.14	191.20
	g) Impairment	-	(7.68)	-	(7.68)	-	172.30
	h) Other expenses	686.13	674.01	620.03	2,167.40	1,778.12	2,571.10
	Total expenses (4)	1,722.74	1,743.44	1,735.08	5,282.90	4,740.77	6,536.20
5.	Profit before exceptional items and tax (3-4)	599.44	517.13	369.51	1,335.25	753.86	819.18
6.	Less: Exceptional items	-	-	-	(65.65)	-	(169.99)
7.	Profit before tax (5-6)	599.44	517.13	369.51	1,400.90	753.86	989.17
8.	Tax expenses						
	Current Tax	218.87	193.41	116.37	525.09	278.77	412.80
	Deferred Tax	2.87	24.64	50.53	40.71	2.13	(66.60)
	Tax for earlier years	(33.49)	(29.12)	-	(47.43)	-	32.60
9.	Net Profit for the period from continuing operations (7-8)	411.19	328.20	202.61	882.53	472.96	610.37
10.	Profit before tax from discontinued operations (refer note 5 and 8)	135.28	233.00	194.95	535.13	307.53	532.73
11.	Tax expense/ (credit) of discontinued operations	23.16	78.13	80.70	183.88	114.10	204.00
12.	Profit for the period from discontinued operations (10-11)	112.12	154.87	114.25	351.25	193.43	328.73
13.	Net profit for the period (9+12)	523.31	483.07	316.86	1,233.78	666.39	939.10
14.	Other Comprehensive Income						
	Items that will not be reclassified to profit or loss						
	i. Re-measurement (losses) on defined benefit plans	(9.57)	(9.57)	(2.66)	(28.71)	(14.30)	(38.28)
	ii. Income tax effect	3.32	3.31	0.92	9.94	4.95	13.25
	Total Other Comprehensive Income, net of tax	(6.25)	(6.26)	(1.74)	(18.77)	(9.35)	(25.03)
15.	Total Comprehensive Income for the period (13+14)	517.06	476.81	315.12	1,215.01	657.04	914.07
16.	Paid-up equity share capital (Face Value Rs 10/- each)	165.99	165.99	165.99	165.99	165.99	165.99
17.	Other equity excluding Revaluation reserve as per Balance sheet						7,166.58
18.	Earnings per equity share of continuing operations (of Rs 10/- each) *(not annualised)						
	(a) Basic and Diluted (in Rs.)	* 24.77	* 19.77	* 12.21	* 53.17	* 28.49	36.77
	Earnings per equity share of discontinued operations (of Rs 10/- each) *(not annualised)						
	(a) Basic and Diluted (in Rs.)	* 6.75	* 9.33	* 6.88	* 21.16	* 11.65	19.80
	Earnings per equity share of continuing and discontinued operations (of Rs 10/- each) *(not annualised)						
	(a) Basic and Diluted (in Rs.)	* 31.53	* 29.10	* 19.09	* 74.33	* 40.15	56.57



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Notes:

1. The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on 30 October 2018. These results have been subjected to "Limited Review" by the statutory auditors of the Company. The review report has been filed with stock exchange and is available on the website.
2. Figures for the previous periods/ year have been re-grouped/re-arranged wherever necessary.
3. Post implementation of Goods and Services Tax ("GST") with effect from 1 July 2017, revenue from operations is disclosed net of GST. Revenue from operations for the earlier periods included excise duty which is now subsumed in the GST. Revenue from operations for the year ended 31 December 2017 includes excise duty upto 30 June 2017. Accordingly, revenue from operations for year to date period ended 30 September 2018 is not comparable with those of the previous period presented.
4. Results for all the above periods are in compliance with Indian Accounting Standards (Ind-AS) notified by the Ministry of Corporate Affairs.
5. The shareholders have vide their resolution dated June 12, 2018, passed by postal ballot, approved the execution of a business transfer agreement (BTA) with Merck Life Science Private Limited (MLSPL) to sell, lease or otherwise transfer certain businesses of the Company comprising exclusively of the biopharma, performance materials and life science segments ("BPL business") as reported in the ERP systems of the Company to MLSPL (or to an affiliate of MLSPL, as directed by MLSPL), for an overall consideration of INR 10,520,000,000 on a slump sale basis (the Business Transfer). The Business Transfer is expected to close during fourth quarter of the current fiscal year, subject to certain closing conditions. In terms of the applicable foreign direct investment policy, the transfer of the biopharma business to Merck Specialities Private Limited is subject to approval by Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Government of India. The said approval is currently awaited.
6. The Company was informed on October 9, 2018 that the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Government of India, by a letter dated October 8, 2018, has approved the proposal dated May 31, 2018 of Procter & Gamble Overseas India B.V. for acquisition of up to 77.80% of the paid-up equity share capital of the Company (comprising of 51.80% of the paid-up equity share capital of the Company from the current promoters of the Company and up to 26% of the paid-up equity share capital of the Company from its public shareholders pursuant to an open offer under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 for which the public announcement was made on April 19, 2018), subject to certain standard terms and conditions specified therein.
7. The Company was informed on September 3, 2018 that the Competition Commission of India has passed an order dated 24 July 2018 approving the transaction involving inter alia the proposed acquisition by Procter & Gamble Overseas India B.V. of 51.8% of the equity share capital of the Company and the proposed transfer of the BPL business of the Company to Merck Life Science Private Limited or any of its affiliates on a going concern basis by way of slump sale.
8. Consequent to the above, the results of operations of BPL business have been disclosed under discontinued operations for all the periods presented in the results. Also, the internal organization of the Company and reportable segments have changed. The Company will now operate under only one segment i.e. Pharmaceuticals which is its continuing operations.

Place : Mumbai

Date : 30th October, 2018

Please visit us at our website www.merck.co.in



For Merck Limited


Milind Thatte
Managing Director
DIN No.08092990

Limited Review Report on the Unaudited Financial Results for the quarter ended September 30, 2018 pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors

Merck Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **Merck Limited** ('the Company') for the quarter ended September 30, 2018 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with aforesaid accounting standard and other recognized accounting practices and policies has not disclosed the



HARIBHAKTI & CO. LLP

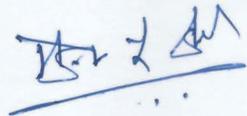
Chartered Accountants

information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Bhavik L. Shah

Partner

Membership No. 122071



Place: Mumbai

Date: October 30, 2018