

August 07, 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 June 30, 2018 as approved by the Board of Directors of the Company at its meeting held on August 07, 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 12 noon and concluded at 2.30 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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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 HALF YEAR ENDED 30 JUNE 2018

(Rs in millions)

Sr. No.	Particulars	3 months ended 30/06/2018	3 months ended 31/03/2018	Corresponding 3 months ended 30/06/2017	Half year ended 30/06/2018	Half year ended 30/06/2017	Previous year ended 31/12/2017
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.	Revenue from Operations	2,202.88	1,981.66	1,736.16	4,184.54	3,270.66	7,114.68
2.	Other Income	57.69	53.74	48.43	111.43	119.38	240.70
3.	Total income (1+2)	2,260.57	2,035.40	1,784.59	4,295.97	3,390.04	7,355.38
4.	Expenses						
	a) Cost of materials consumed	643.42	659.86	464.80	1,303.28	924.22	1,853.00
	b) Purchases of stock-in-trade	65.93	78.96	80.23	144.89	180.15	376.50
	c) Changes in inventories of finished goods, work-in-progress and stock in trade	(19.85)	(104.08)	46.28	(123.93)	(13.06)	139.90
	d) Excise duty	-	-	83.37	-	133.40	133.40
	e) Employee benefits expense	338.67	301.98	250.36	640.65	530.82	1,098.80
	f) Depreciation and amortisation expense	48.94	72.74	47.37	121.68	92.07	191.20
	g) Impairment	(7.68)	-	-	(7.68)	-	172.30
	h) Other expenses	674.01	807.26	660.39	1,481.27	1,158.09	2,465.70
	Total expenses (4)	1,743.44	1,816.72	1,632.80	3,560.16	3,005.69	6,430.80
5.	Profit before exceptional items and tax (3-4)	517.13	218.68	151.79	735.81	384.35	924.58
6.	Less: Exceptional items	-	(65.65)	-	(65.65)	-	(169.99)
7.	Profit before tax (5-6)	517.13	284.33	151.79	801.46	384.35	1,094.57
8.	Tax expenses						
	Current Tax	193.41	112.81	55.30	306.22	162.40	456.70
	Deferred Tax	24.64	13.20	(24.30)	37.84	(48.40)	(73.70)
	Tax for earlier years	(29.12)	15.18	-	(13.94)	-	36.10
9.	Net Profit for the period from continuing operations (7-8)	328.21	143.14	120.79	471.35	270.35	675.47
10.	Profit before tax from discontinued operations (refer note 5 and 6)	233.00	166.85	114.54	399.85	112.58	427.33
11.	Tax expense/ (credit) of discontinued operations	78.13	82.85	34.07	160.72	33.40	163.70
12.	Profit for the period from discontinued operations (10-11)	154.87	84.00	80.47	239.12	79.18	263.63
13.	Net profit for the period (9+12)	483.07	227.14	201.26	710.47	349.53	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)	(6.03)	(19.14)	(11.64)	(38.28)
	ii. Income tax effect	3.31	3.31	2.09	6.62	4.03	13.25
	Total Other Comprehensive Income, net of tax	(6.26)	(6.26)	(3.94)	(12.52)	(7.61)	(25.03)
15.	Total Comprehensive Income for the period (13+14)	476.81	220.88	197.32	697.95	341.92	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	* 19.77	* 8.62	* 7.28	* 28.40	* 16.29	40.69
	Earnings per equity share of discontinued operations (of Rs 10/- each) *(not annualised)						
	(a) Basic and Diluted	* 9.33	* 5.06	* 4.85	* 14.41	* 4.77	15.88
	Earnings per equity share of continuing and discontinued operations (of Rs 10/- each) *(not annualised)						
	(a) Basic and Diluted	* 29.10	* 13.68	* 12.12	* 42.80	* 21.06	56.57



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 07 August 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 the quarter and half year ended 30 June 2018 is not comparable with those of the previous periods 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 approved the resolution through postal ballot on 12 June 2018 to sell biopharma (BP), performance materials (PM) and life sciences (LS) businesses ("BPL business") of the Company to Merck Life Science Private Limited and its affiliates for an overall consideration of INR 10,520,000,000/- subject to receipt of other statutory approvals, if any required. Subsequently, the Company has entered into a Business Transfer Agreement on 21 June 2018 for transfer of LS business and Agreement for the Transfer of the BP and PM Businesses to Merck Life Science Private Limited, Merck Specialties Private Limited and Merck Performance Material Private Limited respectively.
6. 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 and the assets and liabilities of BPL business have been separately reported as on 30 June 2018 as per the requirement of Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". 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 continuing operations.

Place : Goa
Date : 07th August, 2018
Please visit us at our website www.merck.co.in



For Merck Limited

Milind Thatte
Managing Director
DIN No.08092990

Balance Sheet as at 30 June 2018

(Rs in millions)

	As at June 30, 2018 [Unaudited]	As at December 31, 2017 [Audited]
ASSETS		
Non current Assets		
Property, plant and equipment	1,038.90	1,142.80
Capital work in progress	73.80	89.00
Other Intangible assets	5.40	7.90
Financial assets		
i. Loans	-	1.30
ii. Others	63.70	86.10
Deferred tax assets (net)	261.00	308.00
Other non current assets	52.20	141.30
Non current tax asset (net)	561.60	612.50
	2,056.60	2,388.90
Current assets		
Inventories	1,182.42	1,577.40
Financial Assets		
i. Investments	885.40	699.70
ii. Trade and other receivables	617.20	1,226.60
iii. Cash and cash equivalents	198.80	103.20
iv. Bank balance other than (iii) above	2,687.10	2,678.60
v. Loans	1.10	1.00
vi. Other financial assets	95.70	145.50
Other current assets	882.80	1,029.10
Assets held for sale and discontinued operations [Refer note 5 and 6]	1,662.90	62.20
	8,213.42	7,523.30
TOTAL ASSETS	10,270.02	9,912.20
EQUITY & LIABILITIES		
Equity		
Equity share capital	165.99	165.99
Other equity	7,564.20	7,166.58
	7,730.19	7,332.57
Non - Current liabilities		
Provisions	229.00	266.70
Other non-current liabilities	39.20	60.30
	268.20	327.00
Current liabilities		
Financial liabilities		
i. Trade and other payables	764.80	832.83
ii. Other financial liabilities	368.20	634.20
Other current liabilities	43.40	186.90
Provisions	273.13	391.60
Current tax liabilities (net)	176.20	206.10
Liabilities for assets held for sale and discontinued operations [Refer note 5 and 6]	645.90	1.00
	2,271.63	2,252.63
TOTAL EQUITY & LIABILITIES	10,270.02	9,912.20



Limited Review Report on the Unaudited Financial Results for the quarter ended June 30, 2018 pursuant to the 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 June 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

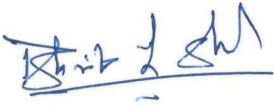
Chartered Accountants

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: Goa

Date: August 7, 2018