



November 14, 2017

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, 2017 as approved by the Board of Directors of the Company at its meeting held on November 14, 2017. The Board Meeting commenced at 03.45 p.m. and concluded at 04.45 p.m.

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

Kindly take the same on record.

Thanking you,

**Yours faithfully,
For Merck Limited**

**Jeevan Mondkar
Manager (Legal and Secretarial)**
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, Prinjanshahar, Vikhroli (East), Mumbai - 400 078.
CIN No. L99999MH19077 LC013726, email : corpsec@merckgroup.com

STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 30TH SEPTEMBER, 2017

(Rs in lakhs)

Particulars	3 months ended	3 months ended	3 months ended	9 months ended	9 months ended
	30/09/2017	30/06/2017	30/09/2016	30/09/2017	30/09/2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1. Revenue from Operations					
Sales	30,552.74	25,912.67	27,195.99	79,453.10	75,361.30
Other operating income	719.82	654.68	504.82	2,079.01	1,646.01
Total Revenue from Operations	31,272.56	26,567.35	27,800.81	81,532.11	77,007.31
2. Other Income	645.58	640.10	414.58	1,857.24	1,624.28
Total Income (1+2)	31,918.14	27,107.45	28,215.39	83,389.32	78,651.59
3. Expenses					
a) Cost of materials consumed	6,892.33	6,298.32	5,771.89	18,598.85	17,667.55
b) Purchases of stock-in-trade	4,586.12	4,282.29	4,787.12	12,945.67	12,704.18
c) Changes in inventories of finished goods, work-in-progress and stock in trade	1,521.55	(27,099)	586.44	1,016.31	1,363.94
d) Excise duty	-	751.72	880.46	1,549.10	2,795.38
e) Employee benefits expense	4,223.90	4,153.59	3,949.94	12,473.90	11,397.31
f) Finance Costs	665.59	644.79	620.29	1,933.78	1,868.67
g) Depreciation and amortisation expense	8,404.20	8,340.53	7,173.01	24,258.84	21,979.43
h) Other expenses	-	-	-	-	-
Total expenses (4)	26,273.69	24,444.15	23,769.05	72,775.42	69,718.36
5. Profit before exceptional items and tax (3-4)	5,644.45	2,663.30	4,446.34	10,613.90	8,935.23
6. Exceptional items	-	-	-	-	-
7. Profit before tax (5-6)	5,644.45	2,663.30	4,446.34	10,613.90	8,935.23
8. Tax Expenses					
Current Tax	1,820.00	1,038.00	1,860.00	3,920.00	3,560.00
Deferred Tax	655.79	(387.31)	(283.65)	29.93	(593.07)
9. Profit for the period (7-8)	3,168.66	2,012.61	2,859.19	6,663.87	5,998.30
10. Other Comprehensive Income					
Items that will not be reclassified to profit or loss	(26.52)	(60.34)	(23.29)	(142.99)	(88.81)
i. Re-measurement (losses) on defined benefit plans	8.18	20.87	8.05	49.48	23.81
ii. Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
Total Other Comprehensive Income	(17.34)	(39.47)	(15.23)	(93.49)	(45.00)
11. Total Comprehensive Income for the period (9+10)	3,151.32	1,973.14	2,834.96	6,570.48	5,923.30
12. Paid-up equity share capital (Face Value Rs 10/- each)	1,659.94	1,659.94	1,659.94	1,659.94	1,659.94
13. Earnings per equity share (of Rs 10/- each) (not annualised):					
(a) Basic	19.09	12.12	17.17	40.15	35.95
(b) Diluted	19.09	12.12	17.17	40.15	35.95

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 14 November, 2017. 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 Company's website.

2. 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 nine months ended 30 September 2017 includes the excise duty upto 30 June 2017. Accordingly, revenue from operations for the quarter and nine months ended 30 September 2017 are not comparable with those of the previous periods presented.

3. The Company adopted Indian Accounting Standards ("Ind AS") from 01 January 2017, with transition date of 01 January 2016 and accordingly these results have been prepared in accordance with recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting prescribed under section 133 of Companies Act, 2013 read with the relevant rules issued thereunder and other accounting pronouncements generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.

4. Reconciliation of Net Profit as previously reported on account of transition from the previous GAAP to Ind AS for the quarter and nine months ended 30 September 2016.

Sr No	Particulars	Rs. in lakhs	
		Quarter ended 30 September 2016	Nine Months ended 30 September 2016
	Net Profit for the period after tax under previous GAAP	2,754.16	5,786.96
a.	Difference in Provision for doubtful debts based on expected credit loss method under Ind AS 109	71.68	102.83
b.	Revenue recognition - measurement of revenue	-	(5.59)
c.	Other adjustments	(1.76)	53.64
d.	Physician samples- timing difference on recognition of expense	53.64	139.00
	Deferred tax on above adjustments	(42.76)	(81.70)
	Total Comprehensive Income for the period under Ind AS	2,834.96	5,923.30

5. Figures for the previous periods have been re-grouped/re-arranged wherever necessary.

For Merck Limited.

Anand Nambiar

Anand Nambiar
Managing Director



Place : Bengaluru
Date : 14 November 2017
Please visit us at our website www.merck.co.in

Segment Wise Revenue, Result and Capital Employed

Sr. No.	Particulars	3 months ended 30/09/2017 Unaudited	3 months ended 30/06/2017 Unaudited	3 months ended 30/09/2016 Unaudited	Nine months ended 30/09/2017 Unaudited	Nine months ended 30/09/2016 Unaudited
1.	Segment Revenue					
	a) Pharmaceuticals	24,531.88	20,471.70	21,790.28	63,818.11	60,268.63
	b) Chemicals	6,740.68	6,095.65	6,010.53	17,714.00	16,758.68
	Total	31,272.56	26,567.35	27,800.81	81,532.11	77,027.31
	Less : Inter segment revenue	-	-	-	-	-
	Revenue from operations (net)	31,272.56	26,567.35	27,800.81	81,532.11	77,027.31
2.	Segment Results (Profit before Tax and Interest from each segment)					
	a) Pharmaceuticals	4,838.30	1,774.94	3,307.44	8,639.04	6,605.15
	b) Chemicals	624.07	607.44	778.32	994.61	1,451.76
	Total	5,462.37	2,382.38	4,085.76	9,633.65	8,056.91
	Less : Other un-allocable expenditure net off un-allocable Income	(182.08)	(280.92)	(360.58)	(980.25)	(878.32)
	Total Profit before Tax	5,644.45	2,663.30	4,446.34	10,613.90	8,935.23
3.	Capital Employed					
	Segment Assets Pharmaceuticals	33,959.40	34,366.82	30,502.09	33,959.40	30,502.09
	Chemicals	17,772.74	16,572.81	16,776.07	17,772.74	16,776.07
	Unallocated	43,112.92	39,365.62	36,979.38	43,112.92	36,979.38
	Total Assets	94,845.06	90,305.25	84,257.54	94,845.06	84,257.54
	Segment Liabilities Pharmaceuticals	17,182.95	16,504.78	15,638.32	17,182.95	15,638.32
	Chemicals	4,647.20	4,386.21	3,464.63	4,647.20	3,464.63
	Unallocated	2,258.32	1,809.03	632.49	2,258.32	632.49
	Total Liabilities	24,088.47	22,700.02	19,735.44	24,088.47	19,735.44
	Capital Employed Pharmaceuticals	16,776.45	17,862.04	14,863.77	16,776.45	14,863.77
	Chemicals	13,125.54	12,186.60	13,311.44	13,125.54	13,311.44
	Unallocated	40,854.60	37,556.59	36,346.89	40,854.60	36,346.89
	Total	70,756.59	67,605.23	64,522.10	70,756.59	64,522.10



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Limited Review Report on the Unaudited Financial Results for the quarter ended September 30, 2017 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, 2017 ("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 recognised accounting practices and policies has not disclosed the 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.



HARIBHAKTI & CO. LLP

Chartered Accountants

4. The Company had prepared the unaudited financial results for the quarter and nine months ended September 30, 2016 in accordance with the Companies (Accounting Standards) Rules, 2006 referred to in Section 133 of the Act, on which B S R & Co. LLP, Chartered Accountants, the predecessor auditor, had issued an unmodified conclusion vide their report dated November 11, 2016. The financial information for the quarter and nine months ended September 30, 2016 as included in this Statement are based on the previously reviewed financial results prepared in accordance with Companies (Accounting Standards) Rules, 2006 as adjusted for the differences in the accounting principles adopted by the Company on the transition to Ind AS, which have been reviewed by us. Our conclusion is not modified in respect of this matter.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048



Bhavik L. Shah

Partner

Membership No. 122071

Place: Bengaluru

Date: November 14, 2017