



Merck Limited- Dr. A. B. Rd, Worli, -400 018 Mumbai

Date

Division/Dept.

Care of

Phone

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8th February, 2011

Your letter

Your ref.

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Mumbai - 400051

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

Dear Sir,

RE: Announcement of Audited Financial Results as per Clause 41 of the Listing Agreement

With reference to the above we are enclosing herewith a copy of the Audited Financial Results for the year ended 31st December, 2010 approved by the Board of Directors of the Company at its Meeting held on 8th February, 2011.

The Audited Financial Results shall be published in 'Business Standard' 'Free Press' (English) and 'Nava Shakti' with in stipulated time

Please acknowledge receipt of the same.

Yours faithfully,

For **MERCK LIMITED**

H. U. SHENOY
COMPANY SECRETARY

MERCK LIMITED

Regd. Office: Shivsagar Estate 'A', Dr. Annie Besant Road, Worli, Mumbai - 400016
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2010

(Rs. in Lakhs)

(Rs. in Lakhs)

Particulars	Year Ended 31.12.2010 (Audited)	Previous Year Ended 31.12.2009 (Audited)
1. a) Net Sales	50,907.63	47,311.35
b) Other Operating Income	310.98	10.75
c) Total	51,218.61	47,322.10
2. Expenditure		
a) (Increase)/decrease in stock-in-trade and work in progress	347.53	299.07
b) Consumption of raw and packing materials	13,258.90	14,419.76
c) Purchase of traded goods	7,180.51	5,890.03
d) Employees cost	6,845.96	5,701.66
e) Depreciation	709.63	750.88
f) Other expenditure	15,896.87	14,922.23
g) Total	44,239.50	41,983.63
3. Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	6,979.11	5,338.47
4. Other Income	4,026.48	4,310.41
5. Profit before Interest and Exceptional Items (3+4)	11,005.59	9,648.88
6. Interest	7.04	3.49
7. Profit after interest but before Exceptional Items (5-6)	10,998.53	9,645.39
8. Exceptional Items (Refer Note 3)	(1,428.00)	-
9. Profit from Ordinary Activities before tax (7+8)	9,570.53	9,645.39
10. Tax expense *	3,252.54	3,097.27
11. Net Profit from Ordinary Activities after tax (9-10)	6,317.99	6,548.12
12. Extraordinary Items (net of tax expense)	-	-
13. Net Profit for the year (11-12)	6,317.99	6,548.12
14. Paid up Equity Share Capital (Face Value Rs 10/-)	1,659.94	1,659.94
15. Reserves excluding Revaluation Reserves	32,982.54	45,068.58
16. Earnings Per Share (EPS)		
(a) Basic and Diluted EPS before extraordinary items	39.06	39.00
(b) Basic and Diluted EPS after extraordinary items	38.06	39.00
17. Public shareholding		
- Number of shares	8,000,158	8,000,158
- Percentage of shareholding	48.2	48.2
18. Promoters and promoter group Shareholding		
(a) Pledged/ Encumbered		
- Number of Shares	-	-
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-
- Percentage of Shares (as a % of the total shareholding of the total share capital of the Company)	-	-
(b) Non-encumbered		
- Number of Shares	8,599,224	8,599,224
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100	100
- Percentage of Shares (as a % of the total shareholding of the total share capital of the Company)	51.8	51.8
* Tax expense consists of:		
Current Tax	3,811.00	3,070.00
Deferred Tax	(558.46)	(25.93)
Fringe Benefit Tax	-	53.20

Segment Wise Revenue, Result and Capital Employed		
Particulars	Year Ended	
	31.12.2010 Audited	31.12.2009 Audited
1. Segment Revenue		
a) Pharmaceuticals	36,336.52	35,254.87
b) Chemicals	16,368.49	13,611.92
Total	52,705.01	48,866.79
Less : Inter segment revenue	1,486.40	1,544.69
Net Sales and Other Operating Income	51,218.51	47,322.10
2. Segment Results (Profit before Tax and Interest from each segment)		
a) Pharmaceuticals	5,225.59	4,446.36
b) Chemicals (Refer Note 3)	2,320.18	2,469.87
Total	7,545.77	6,916.23
Less		
i) Interest	7.04	3.49
ii) Other un-allocable expenditure net off un-allocable income	(2,032.10)	(2,732.65)
Total Profit before Tax	9,570.83	9,645.39
3. Capital Employed		
a) Pharmaceuticals	3,986.74	5,832.99
b) Chemicals	6,996.92	7,089.37
c) Unallocated	23,658.82	33,806.16
Total	34,642.48	46,728.52

Audited Balance Sheet as at 31st December, 2010

Particulars	As at 31.12.2010 Audited	As at 31.12.2009 Audited
SHAREHOLDERS' FUNDS		
(a) Share capital	1,659.94	1,659.94
(b) Reserves and surplus	32,982.54	45,068.58
DEFERRED TAX LIABILITIES (NET)	-	212.21
TOTAL	34,642.48	46,940.73
NET FIXED ASSETS (including Capital work-in-progress and capital advances)	5,124.94	6,402.58
INVESTMENTS	2,017.97	2,381.93
DEFERRED TAX ASSETS (NET)	345.94	-
CURRENT ASSETS, LOANS AND ADVANCES		
(a) Inventories	6,112.10	5,848.71
(b) Sundry debtors	5,608.06	4,381.32
(c) Cash and bank balances	14,276.74	32,484.04
(d) Loans and advances	9,512.51	5,337.42
	35,509.41	48,031.49
Less: CURRENT LIABILITIES AND PROVISIONS		
(a) Current Liabilities	6,097.99	4,262.26
(b) Provisions	2,257.79	5,613.01
	8,355.78	9,875.27
NET CURRENT ASSETS	27,153.63	38,156.22
TOTAL	34,642.48	46,940.73

Notes :-

- The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at the respective meetings held on 8th February, 2011.
- Figures for the previous period/year have been re-grouped/re-arranged wherever necessary.
- During the current year, the Company has made provision for impairment loss of Rs. 1,428 Lakhs on the Oxyne plant assets. This has been considered in the results of the Chemicals segment.
- Status of shareholder complaints for the quarter ended 31st December, 2010:
 Pending at the beginning of the quarter - NIL
 Received during the quarter - 1
 Pending at the end of the quarter - NIL
- In view of the payment of Interim dividend of Rs. 95 per share, the Board has not recommended any final dividend for the year 2010.

For MERCK LIMITED

DR. M. DZIKI
MANAGING DIRECTOR

Place : Mumbai
 Date : 08th February, 2011

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

For MERCK LTD.

COMPANY SECRETARY