ICICI Securities

October 16, 2018

The Corporate Relations Department **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street Mumbai 400 001 Scrip Code: 500126	The Listing Department **National Stock Exchange of India Limited** Exchange Plaza, 5th Floor, Plot No. C/1 G Block, Bandra-Kurla Complex, Bandra (E) Mumbai 400 051 Scrip Code: MERCK

Dear Sir/Madam,

Re: Open offer for acquisition of up to 4,315,840 (Four Million Three Hundred Fifteen Thousand Eight Hundred Forty) fully paid up equity shares of face value of INR 10 (Indian Rupees Ten) each ("Equity Shares") of Merck Limited ("Target Company") from the Public Shareholders of the Target Company by Procter & Gamble Overseas India B.V. ("Acquirer"), together with The Procter & Gamble Company ("PAC") in its capacity as a person acting in concert with the Acquirer ("Open Offer" or "Offer").

Pursuant to and in compliance with Regulations 3(1), 4 and other applicable regulations of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations"), the Acquirer together with the PAC is making an open offer for acquisition of up to 4,315,840 (Four Million Three Hundred Fifteen Thousand Eight Hundred Forty Only) fully paid up equity shares of face value of INR 10 (Indian Rupees Ten only) each of the Target Company, constituting 26% (Twenty Six Percent) of the fully diluted voting equity share capital of the Target Company (as of the 10th working day from the closure of the tendering period for the Offer). ICICI Securities Limited is acting as the Manager to the Offer.

In relation to the Offer, please find enclosed a copy of the Letter of Offer dated October 15, 2018 in physical and .pdf form for your record.

Thanking you,

Yours sincerely,

For ICICI Securities Limited

Authorized Signatory
Name: Anurag Byas
Designation: VP

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer (**"Letter of Offer"/ "LoF"**) is being sent to you as a Public Shareholder (*as defined below*) of Merck Limited. If you require any clarification about the action to be taken, you may consult your stock broker or investment consultant or the Manager (*as defined below*) / Registrar to the Offer (*as defined below*). In case you have recently sold your Equity Shares (*as defined below*), please hand over this LoF and the accompanying Form of Acceptance-cum-Acknowledgement and Transfer Deed to the member of stock exchange through whom the said sale was effected.

PROCTER & GAMBLE OVERSEAS INDIA B.V.
Registered office: Watermanweg 100, 3067 GG Rotterdam, the Netherlands;
(hereinafter referred to as the **"Acquirer"**)

ALONGWITH

THE PROCTER & GAMBLE COMPANY
Registered office: 4400 Easton Commons Way Suite 125, Columbus, Ohio 43219, USA;
(Tel: +1-513-983-1100, Fax: +1-513-983-2611)
(hereinafter referred to as the **"PAC"**)

MAKES A CASH OFFER OF INR 1,500.36 (INDIAN RUPEES ONE THOUSAND FIVE HUNDRED AND THIRTY SIX PAISE ONLY) PER FULLY PAID UP EQUITY SHARE OF FACE VALUE OF INR 10 EACH ("EQUITY SHARES"), TO ACQUIRE UP TO 4,315,840 EQUITY SHARES REPRESENTING 26.00% OF THE VOTING SHARE CAPITAL (*AS DEFINED BELOW*), UNDER THE SEBI (SAST) REGULATIONS (*AS DEFINED BELOW*) FROM THE PUBLIC SHAREHOLDERS OF

MERCK LIMITED
A public limited company incorporated under the Companies Act, 1956
Registered office: Godrej One, 8th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai, Maharashtra – 400 079
(Tel: +91 22 6210 9000, Fax: +91 22 6210 9999)
(hereinafter referred to as the **"Target Company" / "Target"**)

1. This Offer (*as defined below*) is made pursuant to and in compliance with the provisions of Regulations 3(1), 4 and other applicable regulations of the SEBI (SAST) Regulations.
2. This Offer is not a conditional offer in terms of Regulation 19 of the SEBI (SAST) Regulations and is not subject to any minimum level of acceptance.
3. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. NRI (*as defined below*) and OCB (*as defined below*) holders of Equity Shares must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Offer (including, without limitation, approval from the RBI (*as defined below*) since the Equity Shares validly tendered in this Offer will be acquired by a non-resident entity) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required under this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, and FPIs (*as defined below*)) had required any approvals (including from the RBI, the FIPB (*as defined below*) or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit copies of such previous approvals along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and the PAC reserve the right to reject such Equity Shares tendered in this Offer.
5. Where any statutory approval or exemption extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Offer.
6. Other than as set out in paragraph 1 of Part C of Section V (*Terms and Conditions of the Offer*), as on the date of this Letter of Offer, to the best of the knowledge and belief of the Acquirer along with the PAC, there are no statutory approvals required to acquire the Equity Shares by the Acquirer tendered pursuant to this Offer. The status of these statutory approvals is set out in paragraph 2 of Part C of Section V (*Terms and Conditions of the Offer*). However, in case of any other statutory approvals being required and/or becoming applicable at a later date before the closing of the Tendering Period (*as defined below*), this Offer would be subject to the receipt of such approvals.
7. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares (*as defined below*), the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that the acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.
8. The Acquirer and the PAC may withdraw the Offer in accordance with the terms and conditions specified in Part C of Section V (*Terms and Conditions of the Offer*) of this Letter of Offer. In the event of a withdrawal of the Offer, the Acquirer and the PAC (through the Manager) shall, within two Working Days (*as defined below*) of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement (*as defined below*) had appeared, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
9. The Offer Price (*as defined below*) may be subject to revision pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and the PAC at any time prior to the commencement of the 1 (one) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. Where the Acquirer and/or the PAC has acquired any Equity Shares during the Offer period at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid for such acquisition in accordance with Regulation 8(8) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PAC shall (i) make corresponding increases to the amount kept in the escrow account under Regulation 17 of the SEBI (SAST) Regulations; (ii) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (iii) simultaneously with the issue of such announcement, inform SEBI (*as defined below*), the Stock Exchanges (*as defined below*) and the Target Company at its registered office of such revision. Such revised Offer Price would be payable for all the Equity Shares validly tendered during the Tendering Period of the Offer. However, the Acquirer and/or the PAC shall not acquire any Equity Shares during the period commencing from 3 (three) Working Days prior to the commencement of the Tendering Period and ending on the expiry of the Tendering Period.