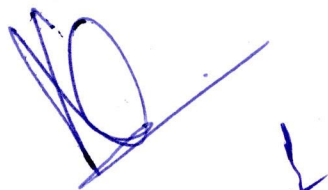


 Panacea Biotec <i>Innovation in support of life</i>	Statement of standalone unaudited financial results for the quarter ended June 30, 2014			
	(Rs. in Lacs)			
	For quarter ended		For year ended	
Particulars	June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
	Unaudited	(Audited)	Unaudited	(Audited)
PART - I				
1. Income from operations				
a. Net sales / income from operations (net of excise duty)	13,150	15,615	10,446	46,714
b. Other operating income	1,941	754	1,317	3,589
Total income from operations (net)	15,091	16,369	11,763	50,303
2. Expenditure				
a. Cost of materials consumed	3,063	1,786	6,390	19,658
b. Purchase of stock in trade	547	442	689	2,239
c. (Increase)/Decrease in inventories	1,128	6,447	(3,139)	(1,089)
d. Employees benefits expense	3,324	3,264	3,673	14,273
e. Depreciation and amortisation expense	1,544	1,543	1,896	6,880
g. Other expenses	3,931	8,832	5,159	24,671
Total expenses	13,537	22,314	14,668	66,632
3. (Loss)/Profit from operations before other income, finance cost & exceptional items (1-2)	1,554	(5,945)	(2,905)	(16,329)
4. Other income	31	1,056	25	1,164
5. (Loss)/Profit from ordinary activities before finance cost & exceptional items (3+4)	1,585	(4,889)	(2,879)	(15,165)
6. Finance cost	3,939	3,706	3,212	14,579
7. (Loss)/Profit from ordinary activities after finance cost before exceptional items (5-6)	(2,354)	(8,595)	(6,092)	(29,744)
8. Exceptional income/(exp) -	-	11,993	-	29,702
9. Profit / (loss) from ordinary activities before tax (7+8)	(2,354)	3,398	(6,092)	(42)
10. Tax expenses	-	-	-	-
11. Net profit / (loss) from ordinary activities after tax (9-10)	(2,354)	3,398	(6,092)	(42)
12. Extraordinary items (net of tax expenses)	-	-	-	-
13. Net profit / (loss) for the period (11-12)	(2,354)	3,398	(6,092)	(42)
14. Paid up equity share capital (face value of Re.1 per share)	613	613	613	613
15. Reserves excluding revaluation reserves	-	-	-	17,296
16. Earning per share (EPS) - Basic (in Rs.)	(3.84)	5.55	(9.95)	(0.07)
- Diluted (in Rs.)	(3.84)	5.55	(9.95)	(0.07)
PART - II				
A. Particulars of shareholding				
1. Public shareholding				
- No. of shares	15,428,192	15,427,192	15,427,192	15,427,192
- Percentage of shareholding	25.19	25.19	25.19	25.19
2. Promoters and promoter group Shareholding				
a) Pledge / encumbered				
- No. of shares	-	-	-	-
- % of Shares (as a % of the total shareholding of promoter & promoter group)	-	-	-	-
- % of Shares (as a % of the total share capital of the Company)	-	-	-	-
b) Non-encumbered				
- Number of shares	45,822,554	45,823,554	45,823,554	45,823,554
- % of Shares (as a % of the total shareholding of promoter & promoter group)	100.00	100.00	100.00	100.00
- % of Shares (as a % of the total share capital of the Company)	74.81	74.81	74.81	74.81
B. Investor complaints				
Pending at the beginning of the quarter	-	-	-	-
Received during the quarter	-	-	-	-
Disposed of during the quarter	-	-	-	-
Remaining unresolved at the end of the quarter	-	-	-	-

Unaudited Segment-wise Revenue , Results, and Capital Employed for the quarter ended on 30.06.2014

Particulars	For quarter ended		For year ended	
	June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
	Unaudited	(Audited)	Unaudited	(Audited)
1. Segment revenue				
(a) Vaccines	5,220	7,036	2,804	13,334
(b) Formulations	8,326	9,147	8,158	35,239
(c) Research & development	1,542	186	798	1,730
(d) Unallocated	3	-	3	-
Gross sale/Income from operation	15,091	16,369	11,763	50,303
Less : Inter segment revenue	-	-	-	-
Net sales/Income from operations	15,091	16,369	11,763	50,303
2. Segment results				
Profit (+)/ loss (-) before tax and interest from each segment				
(a) Vaccines	190	(1,819)	(1,411)	2,001
(b) Formulations	2,529	1,167	1,419	10,834
(c) Research & development	203	(2,750)	(1,460)	(4,752)
Total	2,922	(3,402)	(1,452)	8,083
Less : i) Finance cost	3,934	3,706	3,212	14,579
ii) Other un-allocated expenditure net off un-allocated income	1,342	(10,506)	1,428	(6,454)
Total profit before tax	(2,354)	3,398	(6,092)	(42)
3. Capital Employed				
(Segment assets-segment liabilities)				
(a) Vaccines	57,075	60,020	55,354	60,020
(b) Formulations	23,177	24,360	25,226	24,360
(c) Research & development	18,378	19,431	18,533	19,431
(d) Unallocated	(44,807)	(47,582)	(50,491)	(47,582)
Total capital employed	53,823	56,229	48,622	56,229



Notes:

- 1 The above financial results were reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meetings held on July 31, 2014 and August 1, 2014 respectively.
- 2 Tax expense includes income tax and deferred tax (charge)/credit.
- 3 The Company's Share Transfer Books and Register of Members will remain closed from Friday, September 19, 2014 to Thursday, September 25, 2014 (both days inclusive) for the purpose of Annual General Meeting scheduled to be held on September 25, 2014.
- 4 During the quarter, the Company has launched one new product namely Glizid MV(anti-diabetic).
- 5 During the quarter, the Company has further purchased 48,000 equity shares of its subsidiary viz. NewRise Healthcare Pvt. Ltd. (NewRise) for an amount Rs.40.6 lacs pursuant to Share Purchase Agreement dated 08.01.2014. The Company's total investment in NewRise is Rs.4,978 lacs and the Company's stake in NewRise has increased to 87.4% as on June 2014 from 77.9% as on March 2014.
- 6 The Board of Directors has at its meeting held on August 1, 2014, decided to seek shareholders' approval for raising funds upto Rs.250 Crore by way of issue of Shares/other securities, etc. with a view to meet its working capital requirements and other general corporate purposes.
- 7 The Company's proposal for Comprehensive Debt Restructuring (CDR) was admitted with Corporate Debt Restructuring Cell at IDBI Tower, Cuffe Parade, Mumbai during the previous quarter. SBI, the Monitoring Institution has finalised the draft restructuring package and recently submitted the same with the CDR Cell for its approval.
- 8 Total remuneration paid to the Managing/Joint Managing and Whole Time Director during the quarter, is with in the specified limits under relevant provision of Companies Act, 2013 except in case of Managing Director where remuneration is in excess by Rs one lac only, however, the limit is subject to the approval of shareholders by special resolution, otherwise the remuneration of Rs.18.22 lacs, paid during the quarter may exceed from the limit specified in the above mentioned Act and company will apply for Central Government approval.
- 9 Due to absence of profits during financial year 2012-13 and 2013-14, total remuneration to the Managing/Joint Managing and Whole Time Director had exceeded the ceiling prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956. Accordingly, applications for protection/approval of the Central Government of such excess remuneration have been filed and requisite approvals are awaited.
- 10 As regards Auditors' observations in their report on the audited accounts for the Financial Year 2013-14 and in their limited review report on the above results:
During the quarter, the Company has incurred losses of Rs.2,354 lacs (Previous year Rs.42 lacs which includes exceptional income of Rs.29,702 lacs). Further, the Company's accumulated losses have resulted in erosion of more than fifty percent of its peak net worth calculated as per the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). The fact of such erosion and measures initiated to improve financial condition has been reported to the Board for Industrial and Financial Restructuring ("BIFR") within the stipulated period. The continuous losses have also adversely affected the cash flows of the Company. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.
The Company has undertaken several measures to mitigate the risk of going concern which include supply to UNICEF/other customers of pentavalent vaccine; certain strategic alliances with foreign collaborators for supply of vaccines and pharma products, etc; Comprehensive Debt Restructuring (CDR) proposal which has already been admitted by CDR cell for further processing (as explained in note no. 7 above); launch of its first product Tacrolimus in USA in Dec 2012 and filing of more ANDAs with USFDA. Further, the Board of Directors has at its meeting held on August 1, 2014, decided to seek shareholders' approval for raising funds by way of issue of Shares/other securities. The management is confident that with the above measures and continuous efforts to improve the business, it would be able to generate sustainable cash flow, recover and recoup the erosion in its net worth through profitable operations, discharge its short-term & long term liabilities and continue as a going concern.
- 11 Company has received advance research fees of INR 1,499 lacs from a party which has been accounted for as income from R&D. Such advance is non-refundable subject to certain pre-conditions being met by the company.
Since the product is already in the domestic market, the company is reasonably certain of meeting the pre-conditions set out in the agreement and therefore the same has been accounted for accordingly.
- 12 The necessary certificate in respect of the above results in terms of requirement of clause 41 of the listing agreement, has been placed before the Board of Directors.
- 13 The figure of the quarter ended 31st March, 2014 are the balancing figures between audited figures in respect of the full financial year 2013-2014 and published year to date figures upto the third quarter of previous financial year 2013-2014.
- 14 Previous period / year figures have been regrouped/ reclassified to make them comparable with those of current Quarter.
- 15 The above results are also available on the Company's website viz. <http://www.panaceabiotec.com>.

For and on behalf of the Board

New Delhi
August 1, 2014

Panacea Biotec Limited
Regd. Office : Ambala-Chandigarh Highway, Lalru- 140501, Punjab

Dr. Rajesh Jain
Joint Managing Director

RV

CIN: L33117PB1984PLC022350 - Website: <http://www.panacea-biotec.com> - E-mail: Corporate@panaceabiotec.com