

Statement of standalone and consolidated financial results (Audited) for the quarter & financial year ended March 31, 2013

(Rs. in lacs)

Particulars	Standalone quarter ended			Standalone year ended		Consolidated year ended	
	March 31, 2013	December 31, 2012	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	(Audited (also refer note 12))	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
PART - I							
1. Income from operations							
a. Net sales / income from operations (net of excise duty)	18,437	16,628	8,998	53,042	68,838	54,304	69,780
b. Other operating income	599	1,782	97	6,550	1,220	6,601	1,345
Total income from operations (net)	19,036	18,410	9,095	59,592	70,058	60,905	71,125
2. Expenditure							
a. Cost of materials consumed	4,635	8,767	1,191	23,637	30,240	23,735	30,219
b. Purchase of stock in trade	554	357	513	2,326	2,452	2,341	2,688
c. (Increase)/Decrease in inventories	5,091	(623)	2,545	29	2,056	265	1,770
d. Employees benefits expense	3,471	3,418	5,415	13,723	15,045	14,694	16,072
e. Depreciation and amortisation expense	2,102	2,158	1,967	8,354	7,539	8,600	7,713
f. Other expenses	7,229	7,763	4,402	26,333	24,403	27,476	27,510
Total expenses	23,082	21,840	16,033	74,402	81,733	77,111	85,972
3. (Loss)/Profit from operations before other income, finance cost, foreign exchange fluctuation gain/ (loss) & exceptional items (1-2)	(4,046)	(3,430)	(6,938)	(14,810)	(11,675)	(16,206)	(14,847)
4. Other income	272	257	280	543	746	488	767
5. (Loss)/Profit from ordinary activities before finance cost, foreign exchange fluctuation gain / (loss) & exceptional items (3+4)	(3,774)	(3,173)	(6,658)	(14,267)	(10,929)	(15,718)	(14,080)
6. Finance cost	3,570	2,698	4,804	10,574	10,111	10,376	10,096
7. Foreign exchange fluctuation loss/ (gain)	(126)	357	1,320	805	1,041	943	1,349
8. (Loss)/Profit from ordinary activities after finance cost before exceptional items (5-6-7)	(7,218)	(6,228)	(12,782)	(25,646)	(22,081)	(27,037)	(25,525)
9. Exceptional income/(exp) - Refer note 8 & 9	(1,057)	-	(4,214)	583	(4,214)	1,731	-
10. Profit / (loss) from ordinary activities before tax (8+9)	(8,275)	(6,228)	(16,996)	(25,063)	(26,296)	(25,306)	(25,525)
11. Tax expenses	-	-	(5,081)	(2,050)	(5,516)	(1,876)	(5,413)
12. Net profit / (loss) from ordinary activities after tax (10-11)	(8,275)	(6,228)	(11,915)	(23,013)	(20,780)	(23,430)	(20,112)
13. Extraordinary items (net of tax expenses)	-	-	-	-	-	-	-
14. Net profit / (loss) for the period (12-13)	(8,275)	(6,228)	(11,915)	(23,013)	(20,780)	(23,430)	(20,112)
15. Share of profit /(loss) of associates	-	-	-	-	-	2	(453)
16. Minority Interest	-	-	-	-	-	-	-
17. Net profit/(loss)after minority interest and share of profit/ (loss) of associates (14+15+16)	-	-	-	-	-	(23,428)	(20,565)
18. Paid up equity share capital (face value of Re.1 per share)	613	613	613	613	613	613	613
19. Reserves excluding revaluation reserves	-	-	-	18,282	42,493	20,277	44,095
20. Earning per share (EPS) - Basic (in Rs.)	(13.51)	(10.17)	(19.46)	(37.57)	(33.92)	(38.25)	(32.84)
- Diluted (in Rs.)	(13.51)	(10.17)	(19.46)	(37.57)	(33.92)	(38.25)	(32.84)
PART - II							
A. Particulars of shareholding							
1. Public shareholding							
- No. of shares	15,427,192	15,427,192	15,427,192	15,427,192	15,427,192	15,427,192	15,427,192
- Percentage of shareholding	25.19	25.19	25.19	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	45,823,554	45,823,554	45,823,554	45,823,554	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	100.00	100	100.00
- % of Shares (as a % of the total share capital of the Company)	74.81	74.81	74.81	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	-	-	-	-	-	-	-

Audited Segment-wise Revenue, Results, and Capital Employed

(Rs. in lacs)

Particulars	Standalone quarter ended			Standalone year ended		Consolidated year ended	
	March 31, 2013	December 31, 2012	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	(Audited (also refer note 10))	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
1. Segment revenue							
(a) Vaccines	8,956	7,089	2,302	17,682	36,328	18,653	36,805
(b) Formulations	9,815	9,718	6,738	38,546	33,666	38,600	33,352
(c) Research & development	-	1,466	-	2,717	-	2,774	-
(d) Health management	-	-	-	-	-	3	-
(e) Real estate	-	-	-	-	-	32	-
(f) Unallocated	265	137	55	647	64	843	968
Gross sale/Income from operation	19,036	18,410	9,095	59,592	70,058	60,905	71,125
Less : Inter segment revenue	-	-	-	-	-	-	-
Net sales/income from operations	19,036	18,410	9,095	59,592	70,058	60,905	71,125
2. Segment results							
Profit (+)/ loss (-) before tax and interest from each segment							
(a) Vaccines	(1,604)	(2,682)	(2,061)	(9,456)	944	(9,259)	892
(b) Formulations	219	3,379	(263)	8,375	6,391	11,156	6,392
(c) Research & development	(2,668)	(2,151)	(4,170)	(7,712)	(10,414)	(10,486)	(10,414)
(d) Health management	-	-	-	-	-	3	-
(e) Real estate	-	-	-	-	-	238	(60)
(f) Unallocated	-	-	-	-	-	657	570
Total	(4,053)	(1,454)	(6,494)	(8,793)	(3,079)	(7,691)	(2,620)
Less : i) Finance cost	3,570	2,698	4,804	10,574	10,111	10,376	10,096
ii) Other un-allocated expenditure net off un-allocated income	652	2,076	5,698	5,696	13,106	7,239	12,809
Total profit before tax	(8,275)	(6,228)	(16,996)	(25,063)	(26,296)	(25,306)	(25,525)
3. Capital Employed							
(Segment assets-segment liabilities)							
(a) Vaccines	55,595	63,832	74,570	55,595	74,570	56,027	55,492
(b) Formulations	26,251	30,576	28,384	26,251	28,384	26,250	28,384
(c) Research & development	19,548	19,863	23,666	19,548	23,666	19,548	23,666
(d) Health management	-	-	-	-	-	3,613	2,618
(e) Real estate	-	-	-	-	-	26,538	26,721
(f) Unallocated	(45,268)	(48,616)	(45,212)	(45,268)	(45,212)	(69,409)	(49,401)
Total capital employed	56,126	65,655	81,408	56,126	81,408	62,567	87,480

Statement of Assets & Liabilities

(Rs. in lacs)

Particulars	Standalone year ended		Consolidated year ended	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	(Audited)	(Audited)	(Audited)	(Audited)
Equity and liabilities				
Shareholders' funds				
Share capital	613	613	613	613
Reserves and surplus	55,513	80,795	61,954	86,867
	56,126	81,408	62,567	87,480
Minority interest	-	-	735	660
Non-current liabilities				
Long term borrowings	60,720	48,303	68,991	51,252
Deferred tax liabilities (Net)	-	2,050	49	2,073
Long term provisions	252	206	253	222
Trade payables	-	-	-	1,384
Other long term liabilities	236	238	354	-
	61,208	50,797	69,647	54,931
Current liabilities				
Short-term borrowings	29,914	26,934	27,400	24,954
Trade payables	15,399	11,814	17,569	12,221
Other current liabilities	4,347	13,398	4,984	13,710
Short-term provisions	988	936	1,044	990
	50,648	53,082	50,997	51,875
Total	167,982	185,287	183,946	194,946
Assets				
Non current assets				
Fixed assets				
Tangible assets	91,698	95,434	110,518	114,265
Intangible assets	4,186	4,697	4,337	4,864
Capital work-in-progress	1,694	1,207	12,462	5,585
Intangible assets under development	1,063	3,499	1,064	3,509
Goodwill on consolidation	-	-	594	362
Non-current investments	26,535	25,847	1,651	3,091
Long-term loans and advances	10,268	10,631	9,591	9,845
Trade receivables	-	-	-	375
Other non current assets	-	12	17	654
	135,444	141,327	140,234	142,550
Current assets				
Current Investments	-	-	599	160
Trade receivables	6,875	6,645	6,985	6,463
Inventories	22,474	33,973	26,794	38,497
Cash and bank balances	1,259	1,133	3,923	1,553
Short-term loans and advances	1,635	1,703	5,032	5,181
Other current assets	295	506	379	542
	32,538	43,960	43,712	52,396
Total	167,982	185,287	183,946	194,946

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 May 29, 2013 and May 30, 2013, respectively.
- 2 Tax expense includes income tax and deferred tax liability.
- 3 In view of losses during the current financial year, the Board of Directors has not recommended any dividend on the Equity Shares of the Company.
- 4 During the quarter, the Company has launched two new products in oncology segment namely **Neupokine & Pegtrust 0.6** and has also launched **Easyfive TT** (Pediatrics Combination Vaccine) & **Polprotec** (Inactivated Poliovirus Vaccine) in India through newly created SBU Panacea Vaccines.
- 5 The Consolidated Financial Results have been prepared by consolidating the Company's Audited annual accounts for the financial year 2012-13 with the Audited Annual Accounts for the year ended 31st March, 2013 of its subsidiaries, Best On Health Ltd., Radicura & Co. Ltd., Panacea Educational Institute Pvt. Ltd., Panacea Hospitality Services Pvt. Ltd., Sunanda Steel Company Ltd., Best on Health Foods Limited, Nirmala Organic Farms and Resorts Pvt. Ltd., NewRise Healthcare Pvt. Ltd., Panacea Biotec FZE, Rees Investments Ltd., Kelisia Holdings Ltd., Kelisia Investment Holdings AG, Panacea Biotec (International) SA, Panacea Biotec GmbH, Panacea Biotec Germany GmbH, Lakshmi & Manager Holdings Limited, Best General Insurance Company Ltd., Trinidhi Finance Pvt. Ltd. and Joint Venture Company, Chiron Panacea Vaccines Pvt. Ltd., Adveta Power Pvt. Ltd. and Associate Company, PanEra Biotec Pvt. Ltd.
- 6 During the quarter, the Company has given Rs.650 lacs as advance share application money to its Indian subsidiary, NewRise Healthcare Pvt. Ltd. for the purpose of purchasing additional shares.
- 7 During the quarter, a net amount of US\$ 167,980 (Rs.91.18 Lac) has been received from the Company's wholly owned subsidiary, Rees Investments Limited, Guernsey, as a part repayment of loan granted to the subsidiary company.
- 8 As at March 31, 2013, an amount of Rs. 6,947 Lac (previous year Rs. 6,543 Lac) including interest of Nil (previous year Rs. 362 Lac) is receivable from Rees Investments Ltd. Pursuant to the diminution in the value of investment and losses in its subsidiaries, an amount of Rs. 1,148 Lac (Previous year Rs. 4,214 lacs) has been provided for as 'Provision for bad and doubtful advances' which has been shown as an exceptional expense.
- 9 In terms of the Accounting Standard -16 "Borrowing Costs", the foreign exchange differences arising from foreign currency borrowings to the extent regarded as an adjustment to interest cost were treated as borrowing cost. In pursuance of the clarification issued by Ministry of Corporate Affairs vide its circular no. 25/2012 dated August 9, 2012, the Company accounted for the aforesaid foreign exchange differences arising from foreign currency borrowings as per AS-11 - "The Effects of Changes in Foreign Exchange Rates" in the current year. Consequent to the above, exchange differences of Rs. 1,731 lacs which was earlier recognized as borrowing cost pertaining to the financial year 2011-12 were reversed and shown as an exceptional income. Out of the aforesaid amount of exchange differences of Rs. 1,731 lacs, Rs. 1,352 lacs were capitalized to the cost of fixed assets and Rs. 379 lacs were accumulated in the "foreign currency monetary item translation difference account" in the current year.
- 10 During the Quarter the Company Joint Venture "Chiron Panacea Vaccines Pvt. Ltd". has ceased its operations pursuant to the Dissolution of Joint Venture Agreement.
- 11 The Comments on Auditors' observations in their report on the Audited Accounts for the Financial Year 2012-13 are as under:
 - i) With regards to the managerial remuneration of Rs.372 lacs paid for the year ended March 31, 2013, which is in excess of the limits specified by the relevant provisions of the Companies Act, 1956, by Rs.132 lacs on account of losses incurred during the current year: The Company has initiated steps to obtain approval from Central Government in respect of excess remuneration paid.
 - ii) With regards to the delisting of Company's DTP-based combination vaccines by World Health Organization (WHO) from its list of pre-qualified vaccines: During the quarter, the Auditors from WHO and UNICEF visited the Company's vaccine facilities at Lalru (Punjab) and Baddi (H.P.) with the objective of re-evaluation of the acceptability in principle of Pentavalent Vaccine (DTP-Hep B-Hib) produced by Panacea Biotec for purchase by United Nations Agencies. The Company has a stock of Rs.3,246 lacs and Rs.3,942 lacs of raw & packing material and finished goods, respectively as at March 31, 2013 pertaining to these vaccines. Fixed assets relating to above products cannot be quantified separately. The Company is confident that with the post audit activities, it will be able to get re-listing of Pentavalent vaccine in the list of WHO pre-qualified vaccines in due course and believes that these stocks would be utilised / sold / liquidated in domestic and international markets.
- 12 The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year up to March 31, 2013 and the unaudited published year-to-date figures up to December 31, 2012, being the date of the end of the third quarter of the financial year which were subjected to limited review.
- 13 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.
- 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
May 30, 2013

Dr. Rajesh Jain
Joint Managing Director

Panacea Biotec Limited

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