

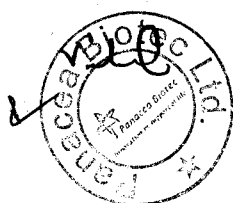
(Rs. in Lacs except per share)

Particulars	Standalone quarter ended			Standalone year ended		Consolidated year ended	
	March 31, 2015	December 31, 2014	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
PART - I							
1. Income from operations							
a. Net sales / income from operations (net of excise duty)	21,795	13,814	15,615	64,324	46,714	65,119	47,956
b. Other operating income	414	947	754	3,596	3,589	3,601	3,581
Total income from operations (net)	22,209	14,761	16,369	67,920	50,303	68,720	51,537
2. Expenditure							
a. Cost of materials consumed	5,987	9,581	1,786	24,142	19,658	24,457	20,204
b. Purchase of stock in trade	447	454	442	2,079	2,239	2,079	2,265
c. (Increase)/Decrease in inventories	5,102	(3,961)	6,447	2,839	(1,089)	1,486	(1,069)
d. Employees benefits expense	3,468	3,191	3,264	13,323	14,273	13,598	14,492
e. Depreciation and amortisation expenses	1,624	1,851	1,543	6,574	6,880	6,724	7,110
g. Other expenses	5,781	4,760	8,832	19,106	24,671	22,833	23,535
Total expenses	22,409	15,876	22,314	67,863	66,632	71,177	66,637
3. (Loss)/Profit from operations before other income, finance cost & exceptional items (1-2)	(200)	(1,115)	(5,945)	57	(16,329)	(2,457)	(15,000)
4. Other income	1,627	608	1,056	2,805	1,164	2,849	998
5. (Loss)/Profit from ordinary activities before finance cost & exceptional items (3+4)	1,427	(507)	(4,889)	2,862	(15,165)	392	(14,002)
6. Finance cost	4,377	(158)	3,706	9,196	14,579	10,332	14,803
7. (Loss)/Profit from ordinary activities after finance cost before exceptional items (5-6)	(2,950)	(349)	(8,595)	(6,334)	(29,744)	(9,940)	(28,805)
8. Exceptional income/(exp)	-	-	11,993	-	29,702	-	17,709
9. Profit / (loss) from ordinary activities before tax (7+8)	(2,950)	(349)	3,398	(6,334)	(42)	(9,940)	(11,096)
10. Tax expenses	189	-	-	189	-	307	168
11. Net profit / (loss) from ordinary activities after tax (9-10)	(3,139)	(349)	3,398	(6,523)	(42)	(10,247)	(11,264)
12. Extraordinary items (net of tax expenses)	-	-	-	-	-	(581)	(57)
13. Net profit / (loss) for the period (11-12)	(3,139)	(349)	3,398	(6,523)	(42)	(10,247)	(11,264)
14. Share of profit/(loss) of associates	-	-	-	-	-	179	108
15. Minority interest	-	-	-	-	-	-	-
16. Net profit/(loss) after minority interest and share of profit/(loss) of associates (13+14+15)	(3,139)	(349)	3,398	(6,523)	(42)	(10,649)	(11,213)
17. Paid up equity share capital (face value of Re. 1 per share)	613	613	613	613	613	613	613
18. Reserves excluding revaluation reserves	-	-	-	10,719	17,296	1,055	7,946
19. Earning per share (EPS) - Basic (in Rs.)	(5.12)	(0.57)	5.55	(10.64)	(0.07)	(17.37)	(18.29)
- Diluted (in Rs.)	(5.12)	(0.57)	5.55	(10.64)	(0.07)	(17.37)	(18.29)
PART - II							
A. Particulars of shareholding							
1. Public shareholding							
- No. of shares	15,627,799	15,612,799	15,427,192	15,627,799	15,427,192	15,627,799	15,427,192
- Percentage of shareholding	25.51	25.49	25.19	25.51	25.19	25.51	25.19
2. Promoters and promoter group Shareholding							
a) Pledge / encumbered							
- No. of shares	16,005,600	16,005,600	-	16,005,600	-	16,005,600	-
- % of Shares (as a % of the total shareholding of promoter & promoter group)	35.08	35.07	-	35.08	-	35.08	-
- % of Shares (as a % of the total share capital of the Company)	26.13	26.13	-	26.13	-	26.13	-
b) Non-encumbered							
- Number of shares	29,617,347	29,632,347	45,823,554	29,617,347	45,823,554	29,617,347	45,823,554
- % of Shares (as a % of the total shareholding of promoter & promoter group)	64.93	64.93	100.00	64.93	100.00	64.93	100.00
- % of Shares (as a % of the total share capital of the Company)	48.38	48.38	74.81	48.35	74.81	48.35	74.81
B. Investor complaints							
Pending at the beginning of the quarter	-	-	-	-	-	-	-
Received during the quarter	-	-	7	-	-	-	7
Disposed of during the quarter	-	-	7	-	-	-	7
Remaining unresolved at the end of the quarter	-	-	-	-	-	-	-

Audited Segment-wise Revenue, Results, and Capital Employed

Particulars	Standalone quarter ended			Standalone year ended		Consolidated year ended	
	March 31, 2015	December 31, 2014	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
1. Segment revenue							
(a) Vaccines	13,192	4,504	7,036	27,630	13,334	27,630	13,326
(b) Formulations	8,938	9,587	9,147	37,907	35,239	38,708	36,481
(c) Research & development	80	689	186	2,383	1,730	2,382	1,730
(d) Health management	-	-	-	-	-	-	-
(e) Real estate	-	-	-	-	-	-	-
(f) Unallocated	(1)	1	-	-	-	-	-
Gross sale/Income from operation	22,209	14,761	16,369	67,920	50,303	68,720	51,537
Less: Inter segment revenue	-	-	-	-	-	-	-
Net sales/Income from operations	22,209	14,761	16,369	67,920	50,303	68,720	51,537
2. Segment results							
Profit (+)/ loss (-) before tax and interest from each segment							
(a) Vaccines	2,437	(1,150)	(1,819)	364	2,001	369	2,026
(b) Formulations	2,385	2,249	1,167	11,662	10,834	11,377	11,176
(c) Research & development	(1,863)	(884)	(2,750)	(3,997)	(4,752)	(3,997)	(4,752)
(d) Health management	-	-	-	-	-	(348)	1
(e) Real estate	-	-	-	-	-	489	248
Total	2,959	215	(3,402)	8,029	8,083	7,912	8,599
Less: i) Finance cost	4,377	(158)	3,706	9,195	14,579	10,332	15,030
ii) Other un-allocated expenditure net off un-allocated income	1,532	722	(10,506)	5,168	(6,454)	7,520	4,765
Total profit before tax	(2,950)	(349)	3,398	(6,334)	(42)	(9,940)	(11,096)
3. Capital Employed							
(Segment assets-segment liabilities)							
(a) Vaccines	58,398	58,309	60,020	58,398	60,020	58,857	60,466
(b) Formulations	25,643	23,954	24,360	25,643	24,360	26,225	25,653
(c) Research & development	20,266	18,986	19,431	20,266	19,431	20,266	19,430
(d) Health management	-	-	-	-	-	3,984	4,482
(e) Real estate	-	-	-	-	-	24,333	23,192
(f) Unallocated	(50,336)	(48,720)	(47,582)	(50,336)	(47,582)	(66,193)	(61,403)
Total capital employed	53,971	52,529	56,229	53,971	56,229	47,473	51,820








Statement of Assets & Liabilities

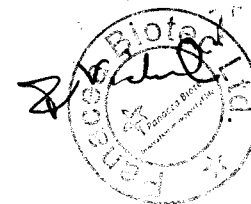
(Rs. in Lacs)

Particulars	Standalone year ended		Consolidated year ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	(Audited)	(Audited)	(Audited)	(Audited)
Equity and liabilities				
Shareholders' funds				
Share capital	2,243	613	2,243	613
Reserves and surplus	51,728	55,616	44,878	50,659
	53,971	56,229	47,121	51,272
Share application money (pending allotment)			10	
Minority interest			342	548
Non-current liabilities				
Long-term borrowings	62,844	48,013	72,297	58,317
Deferred tax liabilities (Net)	-	-	47	52
Long-term provisions	1,168	202	1,169	202
Other long-term liabilities	70	173	1,458	291
	64,082	48,388	74,971	58,862
Current liabilities				
Short-term borrowings	31,983	35,440	29,584	32,067
Trade payables	18,697	22,626	20,913	25,211
Other current liabilities	18,675	24,812	19,486	25,191
Short-term provisions	515	1,151	619	1,184
	69,870	84,029	70,602	83,653
Total	187,923	188,646	193,046	194,335
Assets				
Non current assets				
Fixed assets				
Tangible assets	103,979	105,509	111,649	123,819
Intangible assets	1,969	3,086	2,230	3,204
Capital work-in-progress	469	1,372	14,323	16,012
Intangible assets under development	1,229	1,236	1,228	1,236
Goodwill on consolidation	-	-	548	531
Non-current investments	39,486	39,420	1,020	1,594
Loans and advances	9,268	8,076	9,469	9,802
Other non current assets	6	18	7	35
	156,406	158,717	140,474	156,233
Current assets				
Current investments	-	-	498	3
Trade receivables	10,043	9,058	9,857	9,493
Inventories	14,090	17,676	31,022	21,981
Cash and bank balances	4,237	968	5,240	2,478
Short-term loans and advances	2,642	1,838	5,319	3,735
Other current assets	505	389	636	412
	31,517	29,929	52,672	38,102
Total	187,923	188,646	193,046	194,335

Notes:

- 1 The above financial results were reviewed by the Audit Committee of the Board and approved by the Board of Directors at their respective meetings held on 30th May 2015.
- 2 During the year, the Company has executed a Corporate Debt Restructuring (CDR) scheme under the CDR mechanism of the Reserve Bank of India ("RBI"). In accordance with the approved CDR scheme and after attaining super-majority with all banks except one, the Company executed a Master Restructuring Agreement (MRA) with the lenders on 27 December 2014, with Cut-off Date of 01 October 2013. The MRA, inter-alia, provides for waiver of certain existing obligations of the Company, restructuring of repayment terms for principal and interest, reduction/ adjustment in interest rates, conversion of outstanding interest amounts to loan, pledge of entire promoter shareholding as additional security to lenders, promoter undertaking for additional infusion of funds, monitoring oversight and certain restrictive covenants, as defined. The debt obligations, including interest thereon, have been measured, classified and disclosed in these financial statements in accordance with the MRA, to the extent agreed with the banks. However, MRA implementation is subject to reconciliations with certain banks and completion of other terms and conditions.
- 3 Finance costs for the year ended 31 March 2015, are stated net of reversals of excess accruals of interest of Rs 1,192 lacs (related to previous year) upon execution of MRA with lender banks (see note 2 above).
- 4 The Company has revalued land and buildings as at 31 March 2015 at fair values determined by an independent external valuer. The revalued amount of land & building is Rs. 61,439 lacs against book values of Rs 58,779 lacs. Accordingly, a net increase of Rs. 2,660 lacs has been credited to the revaluation reserve.
- 5 During the year, 3,394,915 equity shares of NewRise Healthcare Private Limited ('NewRise') have been allotted to the Company for an amount Rs. 2,003 lacs and 48,000 equity shares of NewRise have been purchased for an amount Rs. 40.68 lacs from a third party. Consequently, the Company's stake in NewRise has increased to 87.4% as at 31 March 2015.
- 6 The Consolidated Financial Results of the Company have been prepared by consolidating the Company's audited financial results for the financial year 2014-15 with the:-
 - (i) Audited financial results for the financial year 2014-15 of subsidiary companies, namely, Radhika Heights Limited, Radicura Infra Ltd., Nirmala Buildwell Pvt. Ltd., Cabana Construction Pvt. Ltd., Sunanda Infra Ltd., Nirmala Organic Farms & Resorts Pvt. Ltd., Cabana Structures Ltd., Kelisia Holdings Ltd., Panacea Biotec (International) SA, Panacea Biotec Germany GmbH, Panacea Biotec GmbH (under liquidation) and NewRise Healthcare Pvt. Ltd.;
 - (ii) Unaudited financial results for the financial year 2014-2015 of Kelisia Investment Holding AG (liquidated on 07.10.2014).
 - (iii) Audited financial results for the financial year 2014-15 of joint ventures, Chiron Panacea Vaccines Pvt. Ltd. (under liquidation) and Adveta Power Private Limited;
 - (iv) Audited financial results for the financial year 2014-15 of associate company, PanEra Biotec Pvt. Ltd.; and
 - (v) Unaudited financial results for the financial year 2014-15 of overseas subsidiary, namely Rees Investment Ltd.
- 7 A search operation was conducted by income tax department in the premises of the company in January, 2012 and hence company has filed the income tax return for the Assessment Year 2006-2007 to Assessment Year 2012-2013. The income tax department has completed the income tax assessment of the said years and income tax demand of Rs. 32949 lacs (including interest) has been raised on various grounds. The company has preferred appeals before the CIT (Appeals) towards the order of income tax department and based on the legal opinion the Company is hopeful that the income tax demand shall be deleted in appeal.
- 8 With respect to the observations of the auditors in their report on the above results:
 - a The Company has received Research & Development (R&D) fees of Rs. 1,499 lacs and Rs. 473 lacs from a customer during quarters ended 30 June 2014 and 31 December 2014, respectively and has accounted for these as income. Such R&D fees are non-refundable subject to certain pre-conditions (as defined in the agreement) being met by the Company. As the product is already available in the domestic market, the Company is reasonably certain of meeting the pre-conditions and therefore believes that the said fees should be accounted for as income.



- b During the year ended 31 March 2015, the Company has incurred losses of Rs. 6,524 lacs (Previous year: Rs. 42 lacs after adjusting exceptional income of Rs. 29,701 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 continuous losses have also adversely affected the cash flows of the Company. These conditions, read with note 2 above, 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 this risk, which include supply to UNICEF/other customers of pentavalent vaccine; certain strategic alliances with foreign collaborators for supply of vaccines and pharma products including 3 collaboration agreements signed during quarter ended 31 December 2014; Additionally, as explained in note 2 above, the Management has successfully executed the MRA with the lenders of the Company. Management is confident that it will be able to comply with all key conditions and successfully implement the MRA. Based on above measures and continuous efforts to improve the business, Management believes that it would be able to generate sustainable cash flow, recover and recoup the erosion in its net worth through profitable operations, discharge its obligations as they fall due and continue as a going concern.
- c In view of absence of profits during financial years 2013-14 and 2012-13, 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 by Rs. 135 lacs and Rs. 132 lacs respectively. Accordingly, applications for protection/approval of the Central Government for such excess remuneration have been filed and requisite approvals are awaited. Management is confident of favorable outcome.
- 9 The amounts of the last quarter are the balancing amounts between audited amounts in respect of the full financial year up to 31 March 2015 and the unaudited published year-to-date amounts up to 31 December 2014, being the date of the end of the third quarter of the financial year, which were subjected to limited review.
- 10 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.
- 11 Previous period / year amounts have been regrouped/ reclassified to make them comparable with those of current period/year.
- 12 The above results are also available on the Company's website, i.e., <http://www.panaceabiotec.com>.

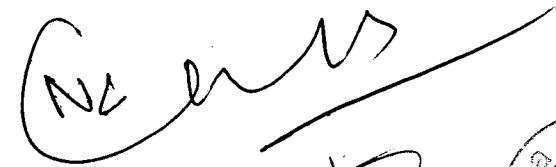
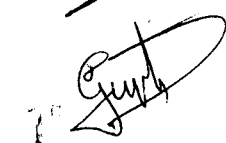
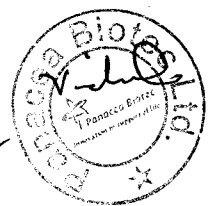
For and on behalf of the Board

New Delhi
30 May 2015

Dr. Rajesh Jain
Joint Managing Director

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

CIN: L33117PB1984PLC022350 - Ph. No. 91-11-41679000, Fax: 91-11-41679070, Website: <http://www.panacea-biotec.com> - E-mail: Corporate@panaceabiotec.com

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
L-41 Connaught Circus
New Delhi 110001
India

T +91 11 4278 7070
F +91 11 4278 7071

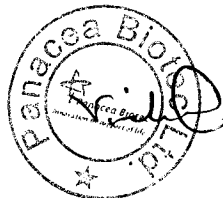
Auditors' Report on Standalone Year to Date Results of Panacea Biotec Limited Pursuant to the Clause 41 of the Listing Agreement

To the Board of Directors of Panacea Biotec Limited

- a) We have audited the financial results (the 'Statement') of Panacea Biotec Limited (the 'Company') year to date results for the period 1 April 2014 to 31 March 2015, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding', which have been traced from disclosures made by the management and have not been audited by us. This Statement has been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on this Statement based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
- b) We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
- c) Attention is invited to note 9 to the statement regarding amounts for the quarter ended 31 March 2015 being balancing amounts between the audited amounts for the full financial year ended 31 March 2015 and the published unaudited amounts for nine months period ended 31 December 2014 which were subject to limited review.
- d) *As stated in note 8(a) to the Statement, during the year ended 31 March 2015, the Company had received advance research fees from a customer amounting to Rs. 1,972 Lacs which had been accounted for as income from research and development. In our opinion, the recognition of such advances as income is not consistent with the revenue recognition principles as prescribed under the Accounting Standard – 9 (AS-9) 'Revenue Recognition'. Had the Company followed the principles of AS-9 with respect to this amount, the revenue for the year ended 31 March 2015 would have been lower by Rs. 1,972 Lacs and the loss for the year ended 31 March 2015 would have been higher by Rs. 1,972 Lacs. Further, the reserve and surplus as at that date would have been lower by Rs 1,972 lacs and current liabilities as at that date would have been higher by 1,972 lacs. Our review report on the unaudited financial results of the Company for the quarter ended 31 December 2014 was also similarly qualified in respect of this matter.*


Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune



Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2285 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Walker Chandiook & Co LLP

Auditors' Report on Standalone Year to Date Results of Panacea Biotec Limited Pursuant to the Clause 41 of the Listing Agreement (Cont'd)

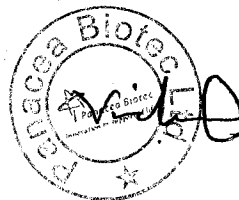
- e) In our opinion and to the best of our information and according to the explanations given to us this Statement:
- is presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
 - gives a true and fair view of the net loss and other financial information for the quarter ended 31 March 2015 as well as the year to date results for the period from 1 April 2014 to 31 March 2015 *except for the effects of qualification as described in previous paragraph.*
- f) We draw attention to the following notes to the Statement:
- Note 8(c), regarding payment of managerial remuneration of Rs. 375 lacs and Rs. 372 lacs for the financial years ended 31 March 2014 and 2013 respectively, which is in excess of the limits specified by the relevant provisions of the Companies Act, 1956, by Rs. 135 lacs and Rs. 132 lacs respectively. The Company has filed necessary applications to the Central Government which is pending approval as on date. Pending the ultimate outcome of the aforesaid matter which is presently unascertainable, no adjustments have been recorded in the statement; and
 - Note 8(b), which indicates that the Company has incurred a net loss of 6,524 Lacs for the year ended 31 March 2015. Further as of that date, the Company's current liabilities exceeded its current assets by Rs 38,353 Lacs. These conditions along with other matters as set forth in aforesaid note indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Our report is not qualified in this respect of these matters.

- g) Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing Agreement and found the same to be correct.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No. 001076N/N500013


per Anupam Kumar
Partner
Membership No. 501531



Place: New Delhi
Date: 30 May 2015