

Unaudited Financial Results (Provisional) for the Quarter & Half-year ended 30th September, 2004

Particulars	(Rs. in Lacs)				
	For the quarter ended		For the half-year ended		Year ended
	30.09.2004 (Unaudited)	30.09.2003 (Unaudited)	30.09.2004 (Unaudited)	30.09.2003 (Unaudited)	31.03.2004 (Audited)
Sales	8,102	3,236	17,955	6,616	27,150
Less : Excise Duty	272	360	523	553	1,052
Income from Operations	7,830	2,876	17,432	6,063	26,098
Other Income	384	96	484	176	256
Total Income	8,214	2,972	17,916	6,239	26,354
(Increase) / Decrease in Stocks	(1,293)	(2,258)	(2,241)	(1,786)	(2,412)
Consumption of Materials & Bought Outs	4,369	3,032	10,651	4,108	15,205
Manufacturing Expenses	477	325	936	715	1,499
Personnel Expenses	739	727	1,385	1,354	2,501
Others	1,391	1,419	2,532	2,363	5,307
Total Expenditure	5,683	3,245	13,263	6,754	22,100
Financial Expenses	178	166	626	235	894
Gross Profit after interest but before Depreciation & Tax	2,353	(439)	4,027	(750)	3,360
Depreciation	436	240	771	444	1,187
Operating Profit before Tax & Extra-ordinary Items	1,917	(679)	3,256	(1,194)	2,173
Extra-ordinary Items - Loss due to fire	147	-	147	-	-
Profit before Tax & after extra-ordinary items	1770	(679)	3,109	(1,194)	2,173
Provision for taxation	360	-	780	-387	-
Deferred Tax Liabilities/(Assets)	300	(10)	345	(26)	142
Net Profit/ (Loss)	1,110	(669)	1,984	(1,168)	1,644
Paid-up Share Capital					
Equity (Re. 1/- per share)	571	571	571	571	571
Preference (Rs. 10/- per share)	9,277	535	9,277	535	9,578
Reserves & Surplus	-	-	-	-	10,390
E.P.S. (Rs.) (Basic & Diluted)	1.74	(1.20)	3.04	(2.10)	2.72
Aggregate of Non-Promoters' Shareholding					
Number of Shares	12,905,000	12,905,000	12,905,000	12,905,000	12,905,000
Percentage of holding	22.61	22.61	22.61	22.61	22.61

Unaudited Segment wise Revenue, Results and Capital employed

Particulars	(Rs. in Lacs)				
	For the quarter ended		For the half-year ended		Year ended
	30.09.2004 (Unaudited)	30.09.2003 (Unaudited)	30.09.2004 (Unaudited)	30.09.2003 (Unaudited)	31.03.2004 (Audited)
Segment Revenue					
A. Vaccines	5,108	69	11,831	160	14,952
B. Formulations	3,087	2,822	6,039	5,995	11,287
C. Research & Development	12	64	22	64	64
Gross Sales / Income from Operations	8,207	2,955	17,892	6,219	26,303
Less : Inter Segment Revenue	-	-	-	-	-
Net Sales / Income from Operations	8,207	2,955	17,892	6,219	26,303
Segment Results					
A. Vaccines	2,544	15	4,506	(400)	4,937
B. Formulations	301	211	838	726	1,154
C. Research & Development	(260)	(309)	(538)	(492)	(1,135)

Total	2,585	(83)	4,806	(166)	4,956
Less : Interest & Financial Charges	178	166	626	235	894
Unallocated Overheads net of unallocated Income	490	430	924	793	1,889
Extra-ordinary Item-Loss due to fire	147	-	147	-	-
Total Profit Before Tax	1,917	(679)	3,256	(1,194)	2,173
Capital Employed					
A. Vaccines	20,898	15,180	20,898	15,180	26,675
B. Formulations	7,518	6,985	7,518	6,985	6,278
C. Research & Development	2,540	1,914	2,540	1,914	1,860
Capital employed in Segments	30,956	24,079	30,956	24,079	34,813
Add : Unallocable Assets Less Liabilities (including Investments)	(8,981)	(14,659)	(8,981)	(14,659)	(14,273)
Total Capital Employed	21,975	9,420	21,975	9,420	20,540

Notes :

1. The above financial results are subject to limited review by the statutory auditors of the Company.
2. During the quarter, the Company has launched **Heartfelt Tablets** (Natural product for Cholesterol management), **Willgo Tablets** (Advance drug delivery system for 24 hour management of osteoarthritis) and **Nimulid SafeInject** (for management of post-operative pain). Nimulid SafeInject & Willgo have been patented by the Company worldwide and are being developed for their introduction in worldwide markets.
3. The Company has entered into collaboration with **Cambridge Biostability Ltd., U.K.**, for manufacturing of vaccines in India using "**Stable liquid' technology**, which reformulates existing vaccines into ready-to-inject stable liquids and will revolutionise vaccine delivery by eliminating the need for refrigeration. The Technology will be developed and commercialised by Panacea Biotec **for the first time in the world** and will save lot of costs associated with maintaining cold chain for distribution of vaccines and the loss caused due to wasted vaccines each year.
4. During the quarter, the Company has received insurance claim of Rs.3.65 Crore against recent loss of stock due to fire took place at the Company's warehouse at Mandoli, Delhi during May, 2004.
5. During the quarter, various assets of the Company including equipments, furniture & fittings, materials, etc. were damaged on account of flood in Lalru, Punjab. However, as all the assets were duly insured, the Company does not expect any significant financial loss on this account.
6. The previous period's figures have been regrouped/ rearranged/ reclassified wherever necessary.
7. Status of Investors' complaints [in nos.] during the quarter, pursuant to clause 41 of listing agreement: Opening [1]; Received [5]; Disposed [6]; Closing [0].
8. The above financial results have been reviewed by the Audit Committee and taken on record by the Board of Directors in their meetings held on 29th October, 2004 and 30th October, 2004, respectively.

New Delhi
October 30, 2004

For and on behalf of the Board

Soshil Kumar Jain
Chairman

Panacea Biotec Ltd.

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