



Panacea Biotec

Innovation in support of life

17th August, 2011

The Manager, Listing Department
The National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051
Fax No.:022-26598237 / 38
NSE Symbol : PANACEABIO

Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Fax No.:022-22721919, 3121
BSE Scrip Code: 531349

Sub: WHO delist Company's DTP-based combination and monovalent hepatitis B vaccines from its list of pre-qualified vaccines

Dear Sir,

Pursuant to the provisions of Clause 36 of the Listing Agreement entered with your Exchange, we wish to inform you as under:

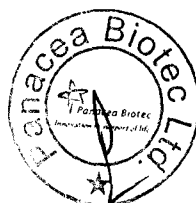
Following a routine site audit conducted by a WHO team, of the manufacturing facility of PanEra Biotec Pvt. Ltd. (our associate Company) at Lalru, and the conclusions of an ad-hoc committee convened by WHO, the Company's following diphtheria-pertussis-tetanus based combination vaccines: Easyfive (DTwP-Hep B-Hib), Ecovac4 (DTwP-Hep B), and EnivacHB (Hepatitis B), have been delisted by WHO from its list of pre-qualified vaccines.

During the site audit, which took place recently at the Lalru manufacturing site, it became clear to the WHO team that Quality Systems on this site do not meet the requirements required for WHO prequalification.

Specifically, deficiencies in the Quality Management System found at the Lalru site related to the manufacture of the haemophilus influenza type b (Hib) and hepatitis B bulks used for the formulation of the DTwP-Hep B-Hib, DTwP-Hep B and hepatitis B vaccines.

WHO has, however, stated that there is no evidence of quality or safety defects with batches of these vaccines already distributed and hence these Batches should not be recalled and should continue to be used. WHO's recommendation for such continued use emanates from the available evidences which include: testing by WHO-contracted laboratories that has been performed on batches of Panacea vaccines that have been supplied through the UN system in accordance with the continuous monitoring performed by WHO on prequalified vaccines; and review of complaints and reports of adverse events following immunization from either immunization programmes, national regulatory authorities or the manufacturer.

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Panacea Biotec Ltd.

B-1 Extn./ G-3, MCIE, Mathura Road
New Delhi - 110 044, INDIA
Phone: D.I.D. +91-11-4167 9015
PBX: +91-11-4167 9000, Fax: +91-11-4167 9075
Email: vinodgoel@panaceabiotec.com
Website: <http://www.panacea-biotec.com>

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Further, the Company's other four oral polio vaccines (tOPV, mOPV1, mOPV3 and bOPV) remain pre-qualified products and WHO has recommended the continued supply of the OPV vaccines.

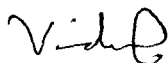
Even for Easyfive (DTwP-Hep B-Hib), Ecovac4 (DTwP-Hep B), and EnivacHB (Hepatitis B), WHO has committed to reassessment of these products for prequalification as soon as appropriate corrective measures have been taken by the manufacturer.

The Company has already initiated corrective measures. We are confident that we will be in a position to complete this process very soon, discuss the action plan to address the issues raised with WHO and to discuss the path forward. Post this, we will come out with a formal statement with respect to timelines very soon and then make a request for reassessment of our these three products for re-listing in the list of prequalified vaccines of WHO.

Kindly acknowledge the receipt.

Thanking you,

Yours truly,
for Panacea Biotec Ltd.



Vinod Goel
G.M. Legal & Company Secretary

c.c. Corporate Relationship Department
The Stock Exchange, Mumbai,
1st Floor, New Trading Ring, Rotundu Building
P J Towers, Dalal Street, Fort,
Mumbai - 400 001