

14th August, 2018

The Manager, Listing Department
The National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051
NSE Symbol : PANACEABIO

BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001
BSE Scrip Code: 531349

- Reg.: i. Unaudited Financial Results (Provisional) along with Limited Review Report for the quarter ended 30th June, 2018**
- ii. Date, time and venue of the 34th Annual General Meeting**
- iii. Dates of Book Closure**

Dear Sir,

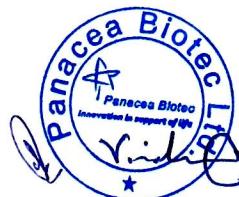
In continuation to our letter dated 3rd August, 2018, we would like to inform you that the Board of Directors of the Company has, at its meeting held today, i.e. 14th August, 2018, inter-alia, considered and approved the Unaudited Financial Results (Provisional) of the Company (which have been subjected to Limited Review by the Statutory Auditors) for the quarter ended 30th June, 2018 in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"). The same were also reviewed by the Audit Committee in its meeting held on 13th August, 2018. A copy of the same along with the Limited Review Report is enclosed herewith as **Annexure - A**.

Further, pursuant to Regulation 46(2)(l) of SEBI LODR Regulations, the abovesaid financial results are being uploaded on the website of the Company i.e. www.panaceabiotec.com.

Further, pursuant to Regulation 47(1)(b) of SEBI (LODR) Regulations, the Extract of Statement of Unaudited Financial Results (Provisional) for the quarter ended 30th June, 2018 in the Format as prescribed in Annexure I of SEBI Circular No. CIR/CFD/FAC/62/2016 dated 05.07.2016 is being sent for publication in newspapers.

We wish to further inform you that the Board of Directors has also decided that:

- i) the 34th Annual General Meeting of the Company will be held on Saturday, 29th September, 2018 at 11:30 A.M. at the Registered Office of the Company at Ambala-Chandigarh Highway, Lalru - 140501, Punjab, and
- ii) the Register of Members and Share Transfer Books will remain closed from Monday, 24th September, 2018 to Saturday, 29th September, 2018 (both days inclusive) for the purpose of Annual General Meeting.



Contd.....2/-

:2:

The meeting of the Board of Directors commenced at 11:30 A.M. and concluded at 04:30 P.M.

We request you to kindly bring the above information to the notice of your members.

Thanking you,

Sincerely yours,
for **Panacea Biotec Ltd.**



Vinod Goel
Group CFO and Head Legal
& Company Secretary



Encls: As above

(Rs. in Lakh except per share)

Particulars	Extract of Standalone Financial Results (Unaudited) for the Quarter ended June 30, 2018			
	Quarter ended			Year ended
	June 30, 2018	March 31, 2018	June 30, 2017	March 31, 2018
	Unaudited	Audited	Unaudited	Audited
Total income from operations	9,511	16,756	10,764	57,993
Net Profit / (Loss) for the period (before tax, exceptional and/or extraordinary item)	(5,483)	(532)	(4,632)	(6,124)
Net Profit / (Loss) for the period before tax (after exceptional and/or extraordinary item)	(3,417)	(532)	(4,632)	(6,124)
Net Profit / (Loss) for the period after tax (after exceptional and/or extraordinary item)	(3,683)	(855)	(4,799)	(7,188)
Total comprehensive income for the period (comprising of profit/ (loss) for the period (after tax) and other comprehensive income (after tax))	(3,718)	(997)	(4,799)	(7,330)
Equity Share Capital (face value of Re.1 per share)	613	613	613	613
Earning per Share (of Re. 1 each) (annualised, other than Quarter)				
Basic :	(6.01)	(1.40)	(7.83)	(11.74)
Diluted:	(6.01)	(1.40)	(7.83)	(11.74)

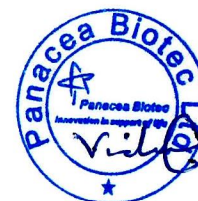
Notes:

- 1 The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results is available on the Stock Exchanges websites, NSE- <http://www.nseindia.com>, BSE- <http://www.bseindia.com> and is also available on the Company's website, <http://www.panaceabiotec.com>.
- 2 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 August 13, 2018 and August 14, 2018 respectively.
- 3 The financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standard ("IND-AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in section 133 of the Companies Act, 2013.
- 4 Previous period / year amounts have been regrouped/ reclassified to make them comparable with those of current period/year.

Place: New Delhi
Date: August 14, 2018

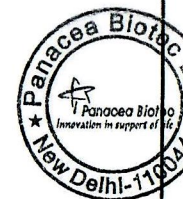
Panacea Biotec Limited

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

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

For and on behalf of the Board

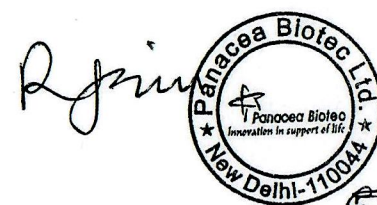
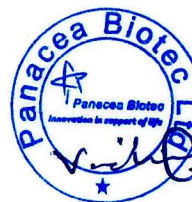
Rajesh Jain
Dr. Rajesh Jain
Managing Director



Statement of Standalone Financial Results (Unaudited)
for the Quarter ended June 30, 2018

(Rs. in Lakh except per share)

S.No	Particulars	Quarter ended			Year ended
		June 30, 2018	March 31, 2018*	June 30, 2017	March 31, 2018
		Unaudited	Audited	Unaudited	Audited
I	Income:				
	a) Revenue from operations	9,511	16,756	10,764	57,993
	b) Other income	333	1,266	123	1,762
	Total Income	9,844	18,022	10,887	59,755
II	Expenditure:				
	a) Cost of raw and packing materials consumed	3,134	5,442	3,602	17,941
	b) Purchase of traded goods	165	199	442	1,835
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(158)	244	(54)	(76)
	d) Excise duty	-	-	337	337
	e) Employee benefits expense	3,745	3,903	3,157	13,674
	f) Depreciation and amortisation expenses	1,369	1,375	1,439	5,705
	g) Finance cost	2,612	2,571	2,591	10,323
	h) Other expenditure (net)	4,460	4,820	4,005	16,140
	Total expenses	15,327	18,554	15,519	65,879
III	Profit/(Loss) before exceptional and extra-ordinary items and tax (I-II)	(5,483)	(532)	(4,632)	(6,124)
IV	Exceptional items (refer note 4)	2,066	-	-	-
V	Profit/(Loss) before Tax (III+IV)	(3,417)	(532)	(4,632)	(6,124)
VI	Tax expense:				
	a) Current tax	-	-	-	-
	b) Deferred tax	266	323	167	1,064
	Total tax expenses	266	323	167	1,064
VII	Net Profit/(Loss) for the period (V-VI)	(3,683)	(855)	(4,799)	(7,188)
VIII	Other comprehensive income				
a)	i) Items that will not be reclassified to Profit or Loss	(54)	(218)	-	(218)
	ii) Income tax related to above	19	76	-	76
b)	i) Items that will be reclassified to Profit or Loss	-	-	-	-
	ii) Income Tax related to above	-	-	-	-
IX	Total comprehensive income for the period (VII+VIII)	(3,718)	(997)	(4,799)	(7,330)
	Paid-up equity share capital	613	613	613	613
	Earning per share for the period (of Re. 1/- each), (not annualised)				
	Basic (in Rs.)	(6.01)	(1.40)	(7.83)	(11.74)
	Diluted (in Rs.)	(6.01)	(1.40)	(7.83)	(11.74)
	(* Refer note 5)				



**Statement of Standalone Financial Results (Unaudited)
for the Quarter ended June 30, 2018**

Unaudited Segment-wise Revenue, Results and Capital Employed

(Rs. in Lakh)

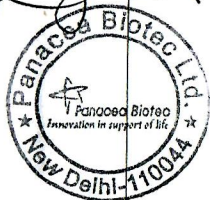
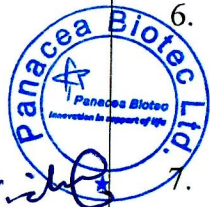
Particulars	Quarter ended			Year ended
	June 30, 2018	March 31, 2018*	June 30, 2017	March 31, 2018
	Unaudited	Audited	Unaudited	Audited
a) Segment revenue				
(a) Vaccines	933	6,504	2,979	18,632
(b) Formulations	8,577	10,246	7,702	38,395
(c) Research & development	1	6	81	966
(d) Unallocated	-	-	2	-
Sub total	9,511	16,756	10,764	57,993
Less: Inter segment revenue	-	-	-	-
(* Refer note 5)				
Total segment revenue	9,511	16,756	10,764	57,993
b) Segment results				
Profit (+)/ loss (-) before tax and interest				
(a) Vaccines	(2,037)	1,650	(765)	1,471
(b) Formulations	2,373	4,207	1,460	13,103
(c) Research & development	(1,484)	(1,201)	(1,275)	(4,086)
Sub total	(1,148)	4,656	(580)	10,488
Less : i) Finance cost	2,612	2,571	2,591	10,323
ii) Other unallocated expenditure net of unallocated income	(343)	2,617	1,461	6,289
(* Refer note 5)				
Total Profit before tax	(3,417)	(532)	(4,632)	(6,124)
c) Capital employed				
Segment assets				
(a) Vaccines	52,487	53,118	50,764	53,118
(b) Formulations	39,038	41,894	40,560	41,894
(c) Research & development	20,754	21,084	21,557	21,084
(d) Unallocated	52,579	51,253	50,507	51,253
Sub total	164,858	167,349	163,388	167,349
Segment liability				
(a) Vaccines	7,379	7,114	3,824	7,114
(b) Formulations	17,390	16,500	15,742	16,500
(c) Research & development	3,182	2,573	2,866	2,573
(d) Unallocated	102,066	102,352	108,799	102,352
Sub Total	130,017	128,539	131,231	128,539
Capital employed (Segment assets - segment liabilities)				
(a) Vaccines	45,108	46,004	46,940	46,004
(b) Formulations	21,648	25,394	24,818	25,394
(c) Research & development	17,572	18,511	18,691	18,511
(d) Unallocated	(49,487)	(51,099)	(58,292)	(51,099)
Total capital employed	34,841	38,810	32,157	38,810



R
Panacea
Innovation
New Delhi

Notes:

1. The above unaudited financial results of Panacea Biotech Limited ('the Company') were reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meetings held on August 13, 2018 and August 14, 2018, respectively. Further the limited review of the Financial Results for the Quarter ended June 30, 2018, in terms of Regulation 33 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, has been carried out by the statutory auditors.
2. The financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standard ("IND-AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in section 133 of the Companies Act, 2013.
3. The revenue from operations for quarter ended June 30, 2017 is reported inclusive of excise duty, in accordance with the requirement of IND-AS. Consequent to the implementation of Goods and Service Tax ("GST") in India w.e.f. July 01, 2017, the revenue from operations for the Quarter ended June 30, 2018 and for the Year ended March 31, 2018 are net of GST in compliance with the requirement of IND-AS. Accordingly, the revenue from operations for the Quarter ended June 30, 2018 is not comparable with the amounts reported for the corresponding previous period.
4. During the quarter under review, Panacea Biotech along with its partner, Apotex Inc. and Apotex Corp. ('Apotex') have entered into a Settlement Agreement dated June 13, 2018, with Celgene Corporation, a global biopharmaceutical company headquartered in USA and its subsidiary Abraxis BioScience, LLC, for settlement of disputes regarding patents covering Abraxane drug product and Panacea Biotech's ANDA for paclitaxel protein bound particles for injectable suspension, 100mg/vial, a generic version of Abraxane. The Company has recorded an amount of Rs. 2,066 lakh (US\$ 31.35 lakh) as exceptional items towards the legal proceedings avoidance settlement, as per the terms of the Settlement Agreement.
5. Figures for the Quarter ended March 31, 2018 represent the balancing figures between the audited figures for the full financial year and published figures for the nine months ended period December 31, 2017, which had been subject to limited review.
6. External Commercial Borrowing ('ECB') from Bank of India ('BOI'): BOI has classified the ECB of US\$ 25 million as non-performing in view of non-payment of the first installment of US\$ 8.33 million. The Company is already in process of raising funds, by way of issue of equity shares and/or other securities as approved by its shareholders through postal ballot on October 25, 2017, from which this overdue amount will be cleared.
7. With respect to the observations of the auditors in their report on the above results:
 - a. **Corporate Debt Restructuring:** During financial year 2014-15, the Company was sanctioned a Corporate Debt Restructuring ("CDR") scheme under the CDR mechanism of the Reserve Bank of India ("RBI") after attaining super-majority from its lender banks ("CDR Lenders"). The debt obligations, including interest thereon, have been measured, classified and disclosed in these financial statements in accordance with the Master Restructuring Agreement ("MRA") as per CDR scheme, to the extent agreed with the banks. In its meeting held on May 22, 2018, the CDR Lenders (other than Indian Overseas Bank) have informed the Company that they are considering the CDR scheme as failed CDR and exit from CDR. Consequently, the CDR Lenders have classified the Company's account as non-performing asset due to non-compliance with the pending conditions but not due to default for payment of principal/ interest as per agreed terms of CDR. At the end of the Quarter under review, the outstanding principal and interest by the Company to CDR Lenders amounts to Rs. 71,616 lakh (Previous Year March 31, 2018: Rs 73,154 lakh). At the end of the Quarter under review, as per books of the



accounts of the Company, there are no reconciling items between the outstanding balance of principal / interest with the CDR Lender except for with Edelweiss Asset Reconstruction Company Limited ("EARC"). Based on reconciliations completed up to March 31, 2018, the balance payable to EARC as per books of the Company stands at Rs. 11,356 lakh as on March 31, 2018 (Rs. 12,272 lakh as on March 31, 2017) whereas EARC has claimed a balance of Rs.19,612 lakh as on March 31, 2018 (Rs.19,694 lakh as on March 31, 2017) which in the Company's view is inaccurate and misleading and therefore has been disputed by the Company.

The CDR Lenders have requested the Company to expedite completion of the process of raising funds through equity dilution and / refinancing as per the timelines shared. Completion of the pending terms and conditions are in progress and the management is confident that it will be able to comply with all key pending conditions within the aforesaid timeline.

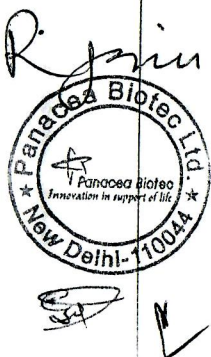
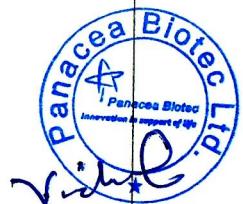
Based on the management's evaluations and independent legal advice obtained, the Company believes that the Company will be able to resolve these matters favorably in due course without materially impacting the recognition, measurement, classification and disclosures presented in these financial results for its obligations to the CDR Lenders. Accordingly, no other adjustments are considered necessary in the books of accounts at this stage.

- b. During the financial year 2007-08, the Company had given an advance of Rs.1,768 lakh pursuant to the agreement with Ilyas & Mustafa Galadari Management Investment & Development (L.L.C.), U.A.E. ("the Developer") for purchase of certain immovable properties in Dubai. The Developer failed to deliver the said properties to the Company and offered other properties under construction in lieu of the said properties. Owing to continuous delays in completion of construction, the Company has initiated legal recourse and issued a legal notice to the Developer.

During the quarter ended December 31, 2017, with a view to restructure the Company's debt obligations and reduce its interest outlay, the board of directors had approved the assignment of its receivables from the Developer to its wholly owned subsidiary viz. Radhika Heights Ltd. (RHL) in lieu of adjustment of part of RHL's loan payable by the Company, subject to the applicable provisions of the Foreign Exchange Management Act, 1999 as amended and other applicable laws, if any. The process of assigning the said receivables to RHL is expected to be completed in due course.

In view of ongoing discussions with the Developer and on the basis of the legal advice obtained, the Group believes that it has valid rights to claim the recovery of the advance paid to the Developer, in the form of either a refund or other properties. The management believes that the advance given to the Developer is fully realisable as the market value of the properties under discussion is more than the advance given under the original agreement. Accordingly, no adjustments are considered necessary in the books of accounts.

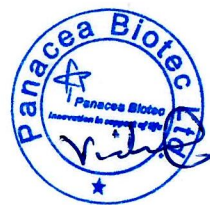
- c. In view of absence of profits during financial years 2013-14 and 2012-13, total remuneration paid to the Managing/ Joint Managing and Whole time Directors had exceeded the ceiling prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956 by Rs.29 lakh for the said years. Further, because of non-compliance to one of the conditions of part II Section II of Schedule V to the Companies Act, 2013, the remuneration amounting to Rs. 26 lakh paid to a whole time director during the year ended March 31, 2016 and remuneration amounting to Rs. 430 lakh paid to six directors (Managing/ Joint Managing and Whole time Directors) during the year ended March 31, 2017 required approval of the Central Government and the Company had filed the necessary applications in this regard. However, the Company's applications for approval of the aforesaid excess remuneration have not been approved by the Central Government and consequently the Company is required to recover the excess amount thus paid for the said years unless the recovery thereof is waived by the Central Government. The Company has also paid managerial remuneration amounting to Rs. 91 lakh during the Quarter ended June 30, 2018 for which the Company required prior approval of the Central Government. For a thorough reconsideration



of the matter, the Company has preferred to submit new applications to the Central Government for waiver of recovery of excess remuneration paid in respect of aforesaid periods and is also in the process of completing the related procedural formalities. Pending the decision of the Central Government, the Company has recorded an amount of Rs. 1,255 lakh (March 31, 2018: 1,164 lakh) as recoverable from such directors towards such excess remuneration paid. Based on management's assessment and legal advice obtained, the Company is confident of a favorable outcome for its applications.

- d. For the quarter ended June 30, 2018, the Company has incurred a loss of Rs. 3,683 lakh (March 31, 2018 Loss of Rs. 7,188 lakh). The continuous losses have adversely affected the cash flows of the Company. These conditions, read with notes 6, and 7(a) 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 scaling up revenues of hexavalent vaccine EasySixTM (DTwP-HepB-Hib-IPV), initiating supply of oral polio vaccine from Baddi facility, entering into strategic alliances with domestic as well as foreign collaborators for supply of products, launch of innovative new products, launch of new products in USA/EU etc. expediting development of new products and monetization of non-core assets, raising of funds, etc. Based on above measures and continuous effort to improve the business performance and as explained in notes 6 and 7(a) above, the 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.
8. The necessary certificate/ report in respect of the above results in terms of requirement of Regulation 33 of the SEBI (Listing Obligations and Other Disclosure Requirements) Regulations, 2015, has been placed before the Board of Directors.
9. Previous period amounts have been regrouped/ reclassified in compliance with IND-AS to make them comparable with those of current period/ year.
10. The above results are also available on the Company's website <http://www.panaceabiotec.com>

Place: New Delhi
Date: August 14, 2018

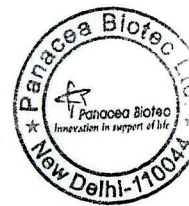


For and on behalf of the Board

Rajesh Jain

Dr. Rajesh Jain
Managing Director

[Signature]



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.panaceabiotec.com>, E-mail: corporate@panaceabiotec.com

Walker Chandlok & Co LLP

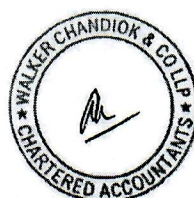
Walker Chandlok & Co LLP
(Formerly Walker, Chandlok & Co)
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurgaon 122002
India

T +91 124 462 8000
F +91 124 462 8001

Independent Auditor's Review Report on Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Panacea Biotech Limited

1. We have reviewed the accompanying statement of unaudited financial results ("Statement") of Panacea Biotech Limited ("the Company") for the quarter ended 30 June 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. As explained in Note 7(a) to the Statement, the Company's total borrowings as at 30 June 2018 includes balances payable to various lenders amounting to Rs. 72,274 lakhs which are currently recorded based on revised terms agreed with the said lenders as part of the Corporate Debt Restructuring ("CDR") scheme, and are reconciled with all lenders except in case of one lender as explained in the said Note. During the quarter ended 30 June 2018, the lenders have informed the Company that they are considering CDR package as failed CDR and exit from CDR, consequent to which we are unable to comment upon the impact, if any, on the carrying values of borrowings and its related classification as at 30 June 2018 and the interest expense (including penal interest, if any) for the period then ended. This matter was also modified in our audit report on the financial statements for the year ended 31 March 2018.
4. Based on our review conducted as above, except for the possible effects of the matter described in the previous paragraph, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Walker Chandio & Co LLP

Independent Auditor's Review Report on Quarterly Financial Results of the Panacea Biotec Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Cont'd)

5. We draw attention to note 7(d) to the Statement which indicates that the Company has incurred a net loss (before exceptional items) of Rs. 5,483 lakhs during the quarter ended 30 June 2018 and as of that date, the Company's current liabilities exceeded its current assets by Rs. 38,023 lakhs. The Company has defaulted in repayment of borrowings from banks/ financial institutions and is in the process of complying with the conditions of Corporate Debt Restructuring. These factors along with other matters as set forth in aforesaid note and paragraph 3 above indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, management has explained that the Company is in the process of discussions with potential investors for providing funds to the Company. Basis this and other factors mentioned in the aforesaid note 7(d) to the Statement, management is of the view that going concern basis of accounting is appropriate. Our report is not modified in respect of this matter.
6. We draw attention to:
- a) Note 7(b) to the Statement regarding capital advances amounting to Rs. 1,768 lakhs given to a real estate developer for acquiring certain immovable properties in Dubai where the Company has initiated legal recourse.
 - b) Note 7(c) to the Statement regarding payment of managerial remuneration for the quarter ended 30 June 2018 and financial years ended 31 March 2018, 2017, 2016, 2014 and 2013 respectively, which is in excess of the limits specified by the relevant provisions of the Companies Act, 2013 /the Companies Act, 1956 by Rs. 1,255 lakhs for the said years. The Company's applications to the Central Government seeking approval for payment of such excess remuneration have not been approved and consequently the Company is required to recover the excess amount thus paid for the said years. The Company has recorded an amount of Rs. 1,255 lakhs as recoverable from the directors towards such excess remuneration paid. The Company has submitted applications to the Central Government for waiver of recovery of excess remuneration paid and is also in the process of completing the related procedural formalities.

Pending the ultimate outcome of the aforesaid matters which is presently unascertainable, no adjustments have been made in the books of accounts. Our report is not modified in respect of these matters.

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013


Anupam Kumar
Partner
Membership No. 501531

Place: Gurugram

Date : 14 August 2018

