

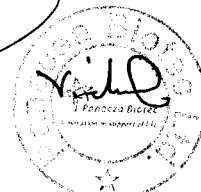
Paracea Biotech <i>Investment in support of life</i>		Statement of standalone unaudited financial results for the quarter ended June 30, 2015			
		(Rs. in Lacs except per share)			
Particulars	For quarter ended		June 30, 2014	For year ended March 31, 2015	
	June 30, 2015	March 31, 2015			
	Unaudited	Unaudited also refer note 6	Unaudited	(Audited)	
PART - I					
1. Income from operations					
a. Net sales / income from operations (net of excise duty)	12,077	21,795	13,150	64,324	
b. Other operating income	407	414	1,905	3,596	
Total income from operations (net) (a)+(b)	12,484	22,209	15,055	67,920	
2. Expenditure					
a. Cost of materials consumed	3,203	5,987	3,063	24,142	
b. Purchase of stock in trade	646	447	547	2,079	
c. Changes in inventories of finished goods, work in progress and stock in trade	305	5,102	1,128	2,639	
d. Employees benefits expense	3,519	3,468	3,324	13,323	
e. Depreciation and amortisation expense (refer note 4)	1,855	1,624	1,544	6,574	
f. Other expenses	4,033	5,781	3,931	19,106	
Total expenses (a)+(b)+(c)+(d)+(e)+(f)	13,561	22,409	13,537	67,863	
3. Profit/(Loss) from operations before other income, finance cost & exceptional items (1-2)	(1,077)	(200)	1,518	57	
4. Other income	367	1,627	67	2,805	
5. Profit/(Loss) from ordinary activities before finance cost & exceptional items (3+4)	(710)	1,427	1,585	2,862	
6. Finance cost	2,980	4,377	3,939	9,196	
7. Profit/(Loss) from ordinary activities after finance cost before exceptional items (5-6)	(3,690)	(2,950)	(2,354)	(6,334)	
8. Exceptional items	-	-	-	-	
9. Profit / (loss) from ordinary activities before tax (7+8)	(3,690)	(2,950)	(2,354)	(6,334)	
10. Tax expenses	-	189	-	189	
11. Net profit / (loss) from ordinary activities after tax (9-10)	(3,690)	(3,139)	(2,354)	(6,523)	
12. Extraordinary items (net of tax expenses)	-	-	-	-	
13. Net profit / (loss) for the period (11-12)	(3,690)	(3,139)	(2,354)	(6,523)	
14. Paid up equity share capital (face value of Re.1 per share)	613	613	613	613	
15. Reserves excluding revaluation reserves	-	-	-	10,719	
16. Earning per share (EPS) not annualised	- Basic (in Rs.) - Diluted (in Rs.)	(6.02) (6.02)	(5.12) (5.12)	(3.84) (3.84)	
PART - II					
A. Particulars of shareholding					
1. Public shareholding					
- No. of shares	15,637,493	15,627,799	15,428,192	15,627,799	
- Percentage of shareholding	25.53	25.51	25.19	25.51	
2. Promoters and promoter group Shareholding					
a) Pledge / encumbered					
- No. of shares	16,005,600	16,005,600	-	16,005,600	
- % of Shares (as a % of the total shareholding of promoter & promoter group)	35.09	35.08	-	35.08	
- % of Shares (as a % of the total share capital of the Company)	26.13	26.13	-	26.13	
b) Non-encumbered					
- Number of shares	29,607,653	29,617,347	45,822,554	29,617,347	
- % of Shares (as a % of the total shareholding of promoter & promoter group)	64.91	64.93	100.00	64.93	
- % of Shares (as a % of the total share capital of the Company)	48.34	48.38	74.81	48.35	
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	-	-	-	-	

Unaudited Segment-wise Revenue , Results, and Capital Employed for the quarter ended on 30.06.2015

		(Rs. in Lacs)			
Particulars		For quarter ended		June 30, 2014	For year ended
		June 30, 2015	March 31, 2015		March 31, 2015
		Unaudited	Unaudited also refer note 6	Unaudited	(Audited)
1. Segment revenue					
(a) Vaccines		2,542	13,192	5,188	27,630
(b) Formulations		9,871	8,938	8,325	37,907
(c) Research & development		71	80	1,542	2,383
(d) Unallocated		-	(1)	-	-
Gross sale/Income from operation		12,484	22,209	15,055	67,920
Less : Inter segment revenue		-	-	-	-
Net sales/income from operations		12,484	22,209	15,055	67,920
2. Segment results					
Profit (+)/ loss (-) before tax and interest from each segment					
(a) Vaccines		(1,246)	2,437	190	364
(b) Formulations		3,589	2,385	2,529	11,662
(c) Research & development		(1,626)	(1,863)	203	(3,997)
Total		717	2,959	2,922	8,029
Less : i) Finance cost		2,980	4,377	3,934	9,195
ii) Other un-allocated expenditure net off un-allocated income		1,427	1,532	1,342	5,168
Total profit before tax		(3,690)	(2,950)	(2,354)	(6,334)
3. Capital Employed					
(Segment assets-segment liabilities)					
(a) Vaccines		56,841	58,398	57,075	58,398
(b) Formulations		27,181	25,643	23,177	25,643
(c) Research & development		19,408	20,266	18,378	20,266
(d) Unallocated		(53,265)	(50,336)	(44,807)	(50,336)
Total capital employed		50,165	53,971	53,823	53,971

(Signature)

(Signature)



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 12th August 2015 and 13th August 2015 respectively.
- 2 During the financial year 2014-15, the Corporate Debt Restructuring Empowered Group (CDR-EG) had approved a Corporate Debt Restructuring (CDR) scheme under the CDR mechanism of the Reserve Bank of India ("RBI") for the Company. In accordance with the approved CDR scheme, which was approved with requisite super-majority consent of all banks except one, the Company had executed a Master Restructuring Agreement (MRA) with the lenders on 27th 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 therein. 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 The Company's appeals before the CIT (Appeals) against the Assessment Orders of Income Tax department (passed consequent to search operation conducted in the premises of the company in January 2012) whereby an aggregate demand of Rs.32,949 Lacs (including interest) was raised on various grounds, have been finalized in favor of the Company and the income tax demand has been cancelled. However, CIT(Appeals) has maintained certain disallowances made in AY 2010-11 & AY 2011-12 aggregating Rs.12.04 Crore for which the Company is considering filing necessary appeals before ITAT.
- 4 During the quarter, the Company has componentised its fixed assets in compliance with the provision of schedule II to the Company Act, 2013. Accordingly, the provision for depreciation for the quarter has increased by Rs. 259.78 Lacs and the same has been charged to profit & loss account.
- 5 With respect to the observations of the auditors in their report on the above results:
 - a During the period ended 30 June 2015, the Company has incurred losses of Rs. 3,690 lacs (Previous year: Rs. 6,524 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 provision of Sick Industrial Companies (Special Provision) Act, 1985 (SICA). The continuous losses have also adversely affected its cash flows. 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 previous year; Additionally, as explained in note 2 above, the Company has successfully executed the MRA with its lenders. The Company 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, the Company 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.
 - b 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.
- 6 "The amounts for the quarter ended 31 March 2015 are the balancing amounts between audited amounts in respect of the complete financial year 2014-15 and the published year to date amounts upto the third quarter of the financial year 2014-15".
- 7 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.
- 8 Previous period / year amounts have been regrouped/ reclassified to make them comparable with those of current period/year.
- 9 The above results are also available on the Company's website, i.e., <http://www.panaceabiotec.com>.

For and on behalf of the Board

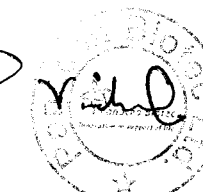
New Delhi
13 August 2015

Dr. Rajesh Jain
Joint Managing Director

Panacea Biotec Limited

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Review Report

To the Board of Directors of Panacea Biotec Limited

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of Panacea Biotec Limited ("the Company") for the quarter ended 30 June 2015, 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 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 Engagements (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. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under 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 recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to Note 5(b) to the Statement 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 application 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. Our review report is not qualified in respect of this matter.



Chartered Accountants

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

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

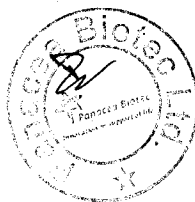
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Review report to the Board of Directors of Panacea Biotec Limited on the financial results for the quarter ended 30 June 2015 (Cont'd)

5. We draw attention to note 5(a) to the Statement which indicates that the Company has incurred a net loss of Rs. 3,690 lacs during the quarter ended 30 June 2015. Further as of that date, the Company's current liabilities exceeded its current assets by Rs. 38,730 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 review report is not qualified in this respect of this matter.

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


per Anupam Kumar
Partner
Membership No. 501531



Place: New Delhi
Date: 13 August 2015