



Panacea Biotec

Innovation in support of life

15th February, 2011

The Manager, Listing Department
The National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051

Sub: Redemption of US\$ 36.8 million FCCB due 2011

Dear Sir,

This is in continuation to our letter dated 28th January, 2011, forwarded to you through e-mail, fax and courier, intimating you the outcome of the Board meeting held on that day in the captioned matter.

In regard to the same, we wish to inform you that the outstanding Zero Coupon Convertible Bonds (Tranche 2) with Nominal Value of USD36.8 million which were due for redemption on Maturity Date i.e., 14th February 2011, have been redeemed in full at the redemption price as per the terms and conditions of the Bonds.

Thus, Tranche 2 Bonds have been extinguished with no bonds remaining outstanding as on date.

A copy of the press release issued in this regard is also enclosed herewith.

Thanking You,
Yours Faithfully,
for **Panacea Biotec Ltd.**


 **Vinod Goel**
G.M. Legal & Company Secretary

- c.c. 1. Corporate Relationship Department
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P J Towers, Dalal Street, Fort,
Mumbai – 400 001
2. Bombay Stock Exchange Limited
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Press Release
New Delhi
February 15, 2011

Panacea Biotec redeems Foreign Currency Convertible Bonds (FCCBs)

Panacea Biotec, the 3rd largest biotech company of India, today announced that on February 14, 2011, it has redeemed the entire outstanding Zero Coupon Convertible Bonds (Tranche 2) along with the accumulated redemption premium. Thus the Tranche 2 Bonds have been fully extinguished with no further Convertible Bonds outstanding as on date.

The company informed that the total amount paid US\$ 52.55 million (comprising of the nominal value of US\$ 36.80 million and redemption premium of US\$ 15.75 million) has been entirely funded out of the internal accruals of the Company.

Dr. Rajesh Jain, Joint Managing Director, said, "Panacea Biotec has always met its financial commitments. The Company's internal accrual generation capabilities are strong enough to meet its debt servicing obligations."

About Panacea Biotec

Panacea Biotec is one of India's leading research-based health management companies with established research, manufacturing and marketing capabilities. Panacea Biotec is the 2nd largest vaccine producer in India. Panacea Biotec has been ranked as the 3rd largest biotechnology company (ABLE Survey- 2010) and is also amongst the top 50 pharmaceutical companies in India. The product portfolio of the Company includes highly innovative prescription products in important therapeutic areas such as pain management, diabetes management, renal-disease management, anti-osteoporosis, anti-tubercular, gastro-intestinal care products and vaccines. The company has collaborations and tie-ups with leading national and international research organizations and corporations. The company's state of the art manufacturing facilities for vaccines and pharmaceutical formulations comply with the US-FDA, UK-MHRA, SA-MCC and WHO-cGMP standards. Panacea Biotec has five dedicated research and development centers. The company has around 3300 employees including over 300 scientists. The company also has 24 product patents, valid in more than 60 countries worldwide.

For further details please contact:

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Disclaimer

Except for the historical information contained herein, statements in this Release which contain words or phrases such as 'will', 'would', 'indicating', 'expected to' etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, future business plans, our growth and expansion in business, the impact of any acquisitions, our financial capabilities, technological implementation and changes, the actual growth in demand for our products and services, cash flow projections, our exposure to market risks as well as other general risks applicable to the business or industry. Panacea Biotec undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.