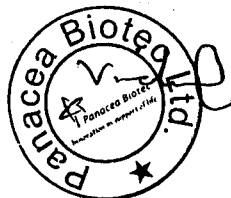
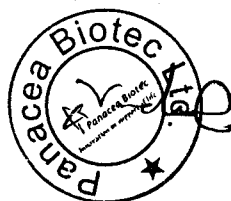


Panacea Biotec <i>Innovations in support of life</i>		Unaudited Financial Results for the Quarter ended 30th June, 2010	
		(Rs. in Lacs)	
Particulars	For Quarter ended		For Year Ended
	30.06.10	30.06.09	31.03.10
	(Unaudited)	(Unaudited)	(Audited)
1. (a) Net Turnover / Income from Operations	25,390	17,721	88,437
(b) Other Operating Income	451	364	2,540
Total Income	25,841	18,085	90,977
2. Expenditure			
a. (Increase)/decrease in stock in trade and work in progress	3,290	(2,723)	(5,148)
b. Consumption of materials	8,309	9,283	50,149
c. Purchase of traded goods	537	407	1,801
d. Manufacturing & Administrative Exp.	2,375	1,779	8,639
e. Employees cost	2,851	2,312	9,902
f. Depreciation	1,737	1,605	6,645
g. Other expenditure	2,334	2,132	10,163
h. Total	21,433	14,795	82,151
3. Profit from Operations before other income, Interest, Foreign Exchange Fluctuation Loss / (Gain) & Exceptional items (1-2h)	4,408	3,290	8,826
4. Other Income	126	127	537
5. Profit before Interest, Foreign Exchange Fluctuation Loss / (Gain) & Exceptional Items (3+4)	4,534	3,417	9,363
6. Interest	856	979	3,827
7. Exchange Fluctuation Loss/ (Gain)	139	326	(6,272)
8. Profit after Interest but before Exceptional Items (5-6+7)	3,539	2,112	11,808
9. Exceptional items	-	-	-
10. Profit / (Loss) from Ordinary Activities before tax (8+9)	3,539	2,112	11,808
11. Tax expenses	284	809	3,806
12. Net Profit / (Loss) from Ordinary Activities after tax (10-11)	3,255	1,303	8,002
13. Extraordinary items (net of tax expenses)	-	-	-
14. Net Profit / (Loss) for the period (12-13)	3,255	1,303	8,002
15. Paid up equity share capital (face value of Re.1 per share)	668	668	668
16. Reserves excluding Revaluation Reserves			68,982
17. Earning Per Share (EPS) - Basic	4.87	1.95	11.98
- Diluted	4.56	1.84	11.22
18. Public shareholding			
- No. of shares	20,904,912	20,904,386	20,904,912
- Percentage of shareholding	31.27	31.27	31.27
19. Promoters and promoter group Shareholding			
a) Pledge / Encumbered			
- Number of Shares	38,000	Nil	38,000
- % of Shares (as a % of the total shareholding of promoter & promoter group)	0.08	N.A.	0.08
- % of Shares (as a % of the total Share Capital of the Company)	0.06	N.A.	0.06
b) Non-encumbered			
- Number of Shares	45,899,834	45,938,360	45,899,834
- % of Shares (as a % of the total shareholding of promoter & promoter group)	99.92	100	99.92
- % of Shares (as a % of the total Share Capital of the Company)	68.67	68.73	68.67



Audited Segment-wise Revenue , Results, and Capital Employed

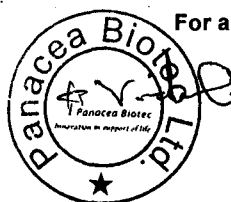
Particulars	For Quarter ended		For Year Ended
	30.06.10	30.06.09	31.03.10
	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue			
(a) Vaccines	17,676	12,085	65,296
(b) Formulations	7,868	5,721	24,173
(c) Research & Development	-	-	10
(d) Unallocated	297	279	1,498
Gross Sale/Income from Operation	25,841	18,085	90,977
Less : Inter Segment Revenue	-	-	-
Net Sales/Income from Operations	25,841	18,085	90,977
2. Segment Results Profit (+) before tax and interest from each segment			
(a) Vaccines	4,910	5,113	17,766
(b) Formulations	2,506	1,326	4,173
(c) Research & Development	(1,657)	(1,548)	(7,521)
(d) Unallocated	-	-	-
Total	5,759	4,891	14,418
Less : i) Interest	856	979	3,827
ii) Other Un-allocated Expenditure net off Un-allocated income.	1,364	1,800	(1,217)
Total Profit Before Tax	3,539	2,112	11,808
3. Capital Employed (Segment assets-Segment Liabilities)			
(a) Vaccines	73,743	77,839	72,029
(b) Formulations	19,494	14,470	16,635
(c) Research & Development	21,621	21,553	19,008
(d) Unallocated	(41,968)	(51,044)	(38,041)
Total Capital Employed	72,890	62,818	69,631
New Delhi			
Regd. Office : Ambala-Chandigarh Highway, Lalru- 140501, Punjab			
Website : http://www.panacea-biotec.com			



Notes:

1. 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 19th July, 2010 and 20th July, 2010, respectively.
2. Tax expense includes provision for income tax and deferred tax.
3. The Company's Share Transfer Books and Register of Members will remain closed from Thursday, 23rd September, 2010 to Saturday, 25th September, 2010 (both days inclusive) for the purpose of Annual General Meeting scheduled to be held on Saturday, 25th September, 2010, in compliance of clause 16 of the Listing Agreement.
4. During the quarter, the Company has launched new products namely Teltor AV Tablets (for treatment of Hyper tension & BP patients), HiFibre 50 Gm. Bottle (for constipation), MYCEPT S 540 Tab (Immunosuppressant), ValueMentin Dry Syrup (Antibiotic), KofZero XP (Cough Syrup) & ValueThral ReadyMix 200 & 100 (Antibiotic).
5. During the quarter, the Company paid Rs.239.71 Lac towards call money in respect of shares held in its Indian subsidiary, Umkal Medical Institute Pvt. Ltd. and provided a loan of US\$ 200,000 (Rs.91.50 Lac) to its overseas Wholly-owned Subsidiary namely Rees Investment Limited.
6. During the quarter, the Company has received USFDA approval for its State-of-the-art Pharmaceutical Formulation Facility at Baddi in Himachal Pradesh spanning over 10,925 m² having dedicated blocks for oral solids, semi-solids and liquid oral dosage forms. This facility is already cGMP certified by ANVISA - Brazil, Govt. of Upper Bavaria - Germany, TGA - Australia and regulatory agencies of other key ROW markets like Jordan, Syria, Ukraine, Yemen, etc.
7. The Company has obtained all the requisite approvals for the proposed Buy-back of equity shares. The Buy-back shall commence from 21.07.2010.
8. As regards the Auditors' observations in their report on the Audited Accounts for the Financial Year 2009-10:
 - i) With regard to non-provision of proportionate premium on redemption for outstanding portion of US \$ 50 million Zero Coupon Convertible Bonds [US \$ 36.8 million], the management is of the opinion that the bonds are redeemable only if there is no conversion of bonds earlier, the likelihood of which cannot be ascertained presently. Hence, the payment of premium on redemption is contingent in nature, the outcome of which is dependent upon uncertain future events. Therefore, the same has been disclosed as a contingent liability in the Annual Accounts for earlier years. Accordingly, the proportionate premium on said Bonds during the quarter ended June 30, 2010, amounting to Rs.416.60 Lac has also not been provided. The total unprovided redemption premium for period upto June 30, 2010 amounts to Rs.6,262.21 Lac. Further, in the eventuality of bonds not getting converted, premium on redemption shall be adjusted out of the Securities Premium Account and would not have any consequential impact on the Profit & Loss Account.
 - ii) With regard to capitalization of expenditure on clinical trials for the purpose of registration of Company's product in US and / or Europe, the management believes that these products would be commercially viable and there is no reason to believe that there is any uncertainty that may lead to not securing registration for the products from the regulatory authorities. An amount of Rs.105.01 Lac towards above said expenditure on clinical trials during quarter ended June 30, 2010, has also been capitalised on similar grounds. The total amount of such capitalisation upto June 30, 2010 is Rs.4,899.98 Lac.
 - iii) With regard to payment of managerial remuneration of Rs.381.70 Lac during Financial Year 2008-09, in excess of limits prescribed under Section 198 and 309 read with part II of Schedule XIII of the Companies, Act, 1956, without obtaining Central Government approval, the Company has sought approval of the Central Government for such remuneration. While the approvals to the extent of Rs.146.19 Lac of excess remuneration in respect of Joint Managing Directors have already been received, the requisite approvals for balance amount of excess remuneration of Rs.235.51 Lac are awaited.
9. The Statutory auditors have also carried out limited review of these results and have given their observations in their report in respect of para 8(i), (ii), (iii) above.
10. During the quarter, the Company has capitalised its H1N1 facility at its manufacturing plant situated at Lalru (Punjab).
11. As regards the Auditors' observations in their limited review report on the above results in respect of unrealised foreign exchange loss of Rs.632.89 Lac on outstanding forward contracts amounting to USD 370 Lac as at 30th June, 2010, the management is of the opinion that since market exchange rate on the various settlement dates is not certain, such unrealized foreign exchange loss is contingent in nature, hence, the same has not been accounted for. The unrealised foreign exchange loss or gain, if any, will be considered appropriately at year end.
12. Status of Investors' complaints [in nos.] during the quarter, pursuant to clause 41 of listing agreement: Opening [0]; Received [2]; Disposed [2]; Closing [0].
13. The necessary certificate in respect of above Results in terms of requirement of clause 41 of the Listing Agreement, has been placed before the Board of Directors.
14. The previous period's figures have been regrouped/ rearranged/ reclassified wherever necessary.

New Delhi
July 20, 2010



For and on behalf of the Board

Dr. Rajesh Jain
Joint Managing Director

Panacea Biotec Ltd.
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