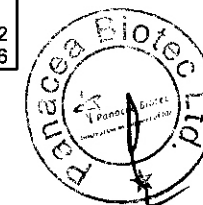


Unaudited Financial Results for the Quarter and Half-year ended 30th September, 2011

Particulars	(Rs. in Lacs)				
	For Quarter ended		For Half Year ended		For Year Ended
	30.09.11	30.09.10	30.09.11	30.09.10	31.03.11
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. (a) Net Turnover / Income from Operations	22,442	25,257	44,541	50,647	113,046
(b) Other Operating Income	435	367	905	818	2,193
Total Income	22,877	25,624	45,446	51,465	115,239
2. Expenditure					
a. (Increase)/decrease in stock in trade and work in progress	820	(2,545)	(5,729)	745	5,887
b. Consumption of materials	11,682	13,048	26,268	21,357	44,576
c. Purchase of traded goods	845	677	1,452	1,214	2,444
d. Manufacturing & Administrative expenditure	2,958	2,878	5,607	5,253	10,793
e. Research & Development expenditure	1,699	1,455	3,026	2,723	5,946
f. Employees cost	3,393	3,088	6,442	5,939	12,939
g. Depreciation	2,001	1,846	3,633	3,583	7,311
h. Other expenditure	1,277	1,385	2,873	2,451	5,935
i. Total	24,675	21,832	43,572	43,265	95,831
3. Profit from Operations before other income, Interest, Foreign Exchange Fluctuation Gain/ (Loss) & Exceptional items (1-2i)	(1,798)	3,792	1,874	8,200	19,408
4. Other Income	99	414	266	540	1,312
5. Profit before Interest, Foreign Exchange Fluctuation Gain / (Loss) & Exceptional Items (3+4)	(1,699)	4,206	2,140	8,740	20,720
6. Interest	1,469	1,140	3,100	1,996	4,780
7. Exchange Fluctuation Loss/ (Gain)	865	211	1,001	350	391
8. Profit after interest but before Exceptional items (5-6-7)	(4,033)	2,855	(1,961)	6,394	15,549
9. Exceptional items	-	-	-	-	-
10. Profit / (Loss) from Ordinary Activities before tax (8-9)	(4,033)	2,855	(1,961)	6,394	15,549
11. Tax expenses	(669)	1,168	(269)	1,452	2,044
12. Net Profit / (Loss) from Ordinary Activities after tax (10-11)	(3,364)	1,687	(1,692)	4,942	13,505
13. Extraordinary items (net of tax expenses)	-	-	-	-	-
14. Net Profit / (Loss) for the period (12-13)	(3,364)	1,687	(1,692)	4,942	13,505
15. Paid up equity share capital (face value of Re.1 per share)	613	613	613	613	613
16. Reserves excluding Revaluation Reserves					63,068
17. Earning Per Share (EPS) - Basic	(5.49)	2.71	(2.76)	7.58	21.35
- Diluted	(5.49)	2.52	(2.76)	7.06	21.35
18. Public shareholding					
- No. of shares	15,389,192	15,317,912	15,389,192	15,317,912	15,364,465
- Percentage of shareholding	25.12	25.01	25.12	25.01	25.08
19. Promoters and promoter group Shareholding					
a) Pledge / Encumbered					
- Number of Shares	38,000	38,000	38,000	38,000	38,000
- % of Shares (as a % of the total shareholding of promoter & promoter group)	0.08	0.08	0.08	0.08	0.08
- % of Shares (as a % of the total Share Capital of the Company)	0.06	0.06	0.06	0.06	0.06
b) Non-encumbered					
- Number of Shares	45,823,554	45,899,834	45,823,554	45,899,834	45,848,281
- % of Shares (as a % of the total shareholding of promoter & promoter group)	99.92	99.92	99.92	99.92	99.92
- % of Shares (as a % of the total Share Capital of the Company)	74.81	74.93	74.81	74.93	74.86

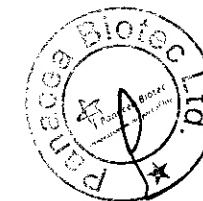


Unaudited Segment-wise Revenue , Results, and Capital Employed

Particulars	For Quarter ended		For Half Year ended		For Year Ended
	30.09.11	30.09.10	30.09.11	30.09.10	31.03.11
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue					
(a) Vaccines	13,089	16,981	26,732	34,657	83,787
(b) Formulations	9,526	8,450	18,144	16,318	30,073
(c) Research & Development	-	-	-	-	-
(d) Unallocated	262	193	570	490	1,379
Gross Sale/Income from Operation	22,877	25,624	45,446	51,465	115,239
Less : Inter Segment Revenue					
Net Sales/Income from Operations	22,877	25,624	45,446	51,465	115,239
2. Segment Results Profit (+) before tax and interest from each segment					
(a) Vaccines	(299)	5,342	4,625	10,252	29,512
(b) Formulations	2,692	1,983	5,083	4,489	5,711
(c) Research & Development	(2,128)	(1,846)	(3,838)	(3,503)	(7,531)
(d) Unallocated					
Total	265	5,479	5,870	11,238	27,692
Less : i) Interest	1,469	1,140	3,100	1,996	4,780
ii) Other Un-allocated Expenditure net off Un-allocated income.	2,829	1,484	4,731	2,848	7,363
Total Profit Before Tax	(4,033)	2,855	(1,961)	6,394	15,549
3. Capital Employed (Segment assets-Segment Liabilities)					
(a) Vaccines	63,882	75,372	63,882	75,372	79,443
(b) Formulations	22,326	20,627	22,326	20,627	17,641
(c) Research & Development	21,144	21,922	21,144	21,922	21,248
(d) Unallocated	(45,366)	(54,217)	(45,366)	(54,217)	(54,654)
Total Capital Employed	61,986	63,705	61,986	63,705	63,678

Statement of Assets & Liabilities

Particulars	For Half Year ended	
	30.09.11	30.09.10
	(Unaudited)	(Unaudited)
1. Shareholders' Funds		
a) Share Capital	613	613
b) Reserves & Surplus	61,372	63,022
	61,985	63,635
2. Loan Funds	81,111	97,672
3. Deferred Tax Liability	7,298	8,043
4. Foreign Currency Monetary Item Translation Difference Account	-	81
Total	150,394	169,431
5. Fixed Assets	69,691	68,622
6. Investments	25,103	22,964
7. Current Assets, Loans & Advances:		
a) Inventories	35,535	43,803
b) Sundry Debtors	16,277	19,111
c) Cash & Bank Balances	2,512	11,643
d) Other Current Assets	822	758
e) Loans & Advances	13,958	14,941
	69,104	90,256
Less: Current Liabilities and Provisions		
a) Liabilities	12,392	10,419
b) Provisions	1,112	2,003
	13,504	12,422
Net Current Assets	55,600	77,834
8. Misc Expenditure (to the extent not written off)	-	11
Total	150,394	169,431



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 October 20, 2011 and October 21, 2011, respectively.
- 2 Tax expense includes provision for income tax and deferred tax.
- 3 During the quarter, the Company has invested an amount of Rs.925 Lacs for acquiring 0.5% Optionally Convertible Non-Cumulative Redeemable Preference Shares in its wholly-owned subsidiary (WOS) company, Best On Health Limited, pursuant to the existing Subscription Agreement and Rs.14 Lac towards payment of call money in respect of partly paid shares held in its subsidiary, NewRise Healthcare Pvt. Ltd.
- 4 During the quarter, an amount of US\$ 350,000 (equivalent to Rs.155 Lac) was remitted to Rees Investments Limited, Guernsey in terms of existing Loan Agreement.
- 5 During the quarter, the Company has incorporated Advaita Power Ventures Pvt. Ltd., as a joint venture with PanEra Biotec Pvt. Ltd. Its name has subsequently been changed to Adveta Power Private Limited.
- 6 During the quarter, the Company has launched new products namely **ORANGEMOL 125** (Antipyretics), **ENBA RAB** (Anti Ulcerant), **MONTHIBA** (Anti Osteoporotic), **TELTOR 40 & 20**, **TELTOR H** and **TELTOR AM** (Anti Hypertensive), **MYELOGEN POWDER** (General debaety & weakness & for neuropathic pain in diabetic patients) and **SEVBAIT 400 & 800** (for control of Phosphorus levels).
- 7 During the quarter, the Company has paid a dividend of Re.0.75 (75%) per Equity Share (face value of Re.1) amounting to Rs.459.38 Lacs as approved by shareholders in its recent Annual General Meeting.
- 8 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.
- 9 As regards Auditors' observations in their report on the Audited Accounts for the Financial Year 2010-11:
 - i) With regard to capitalization of expenditure on clinical trials for the purpose of registration of Company's products outside India primarily in US 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.178 Lacs towards the above said expenditure on clinical trials during the quarter ended September 30, 2011, has also been capitalized on similar grounds. The total amount of such capitalization up to September 30, 2011 is Rs.6,391 Lacs.
 - ii) During the quarter, following a routine site audit, WHO has delisted the Company's DTP-based combination and monovalent hepatitis B vaccines from its list of pre-qualified vaccines on account of deficiencies in quality management system. However, the issue is not about the quality, safety or efficiency of the products. The Company has initiated corrective and preventive measures to ensure compliance with the WHO pre-qualification guidelines and are in touch with WHO in this respect. The Company is confident that with these corrective & preventive measures, the Company will be able to get re-listing of above said vaccines in the list of WHO pre-qualified vaccines.
- 10 The Statutory Auditors have also carried out limited review of these results and have given their observations in their report in respect of para 9 (i) & (ii) above.
- 11 Status of Investors' complaints [in nos.] during the quarter, pursuant to clause 41 of listing agreement: Opening [0], Received [4]; Disposed [3]; Closing [1]. The same has been subsequently disposed off.
- 12 The previous period's figures have been regrouped/ rearranged/ reclassified wherever necessary.
- 13 The above results are also available on the Company's website viz. <http://www.panacea-biotec.com>.

For and on behalf of the Board

New Delhi
October 21, 2011

Dr. Rajesh Jain
Joint Managing Director

Panacea Biotec Limited

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

<http://www.panacea-biotec.com>

