

30<sup>th</sup> May, 2017

The Manager, Listing Department  
The National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai – 400 051  
Fax No.:022-26598237 / 38  
NSE Symbol : PANACEABIO

BSE Limited  
Corporate Relationship Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
Fax No.:022-22721919, 3121  
BSE Scrip Code: 531349

- Reg.:**
- i. Audited Financial Results (Standalone and Consolidated) for the Quarter / Year ended 31<sup>st</sup> March, 2017**
  - ii. Passing over of Dividend for the financial year 2016-17**

Dear Sir,

This is in continuation to our letters dated 15<sup>th</sup> May, 2017 and 22<sup>nd</sup> May, 2017.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations], we would like to inform you that the Board of Directors of the Company has, at its meeting held today, i.e. 30<sup>th</sup> May, 2017, inter-alia, considered and approved the Audited Financial Results (Standalone and Consolidated) of the Company for the Quarter and Year ended 31<sup>st</sup> March, 2017. The same were also reviewed by the Audit Committee in its meeting held on 29<sup>th</sup> May, 2017.

Pursuant to Regulation 33 of SEBI (LODR) Regulations, we enclose the following:

- (i) Statement showing the Audited Financial Results (Standalone and Consolidated) for the quarter and year ended 31<sup>st</sup> March, 2017.
- (ii) Auditors' Report on the Audited Financial Results - Standalone and Consolidated.

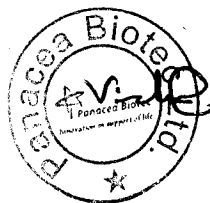
We also confirm that the auditors have given unmodified opinion on the above referred Auditors' Report on the Audited Financial Results (Standalone and Consolidated).

Further, pursuant to Regulation 46(2) (I) of SEBI (LODR) Regulations, the said financial results are being uploaded on the website of the Company.

Pursuant to Regulation 47(1) (b) of SEBI (LODR) Regulations, the Extract of Statement of Audited Financial Results 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.

Further, in view of losses, the Board of Directors has not recommended any dividend on the Preference as well as Equity Shares of the Company for the financial year ended 31<sup>st</sup> March, 2017.

The meeting of the Board of Directors commenced at 11 A.M. and concluded at 7:20 P.M.



B1 Extn. /G3, Mohan Co-op Indl. Estate,  
Mathura Road, New Delhi -110044  
Email: vinodgoel@panaceabiotec.com  
Phone: D.I.D. +91-11-4167 9015  
Fax: +91-11-4167 9070

**Panacea Biotec Ltd.**

CIN: L33117PB1984PLC022350

Registered Office: Ambala-Chandigarh Highway, Lalru - 140 501, Punjab, India. Ph.: +91-1762-505900, Fax: +91-1762-505906.  
e-mail: corporate@panaceabiotec.com website: www.panaceabiotec.com



**Panacea Biotec**

*Innovation in support of life*

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

Thanking you,  
Yours truly,  
for Panacea Biotec Ltd.

Vinod Goel  
Group CFO and Head Legal  
& Company Secretary

Encl. : As above.

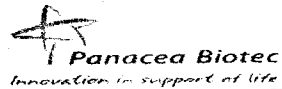
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e-mail: [corporate@panaceabiotec.com](mailto:corporate@panaceabiotec.com) website: [www.panaceabiotec.com](http://www.panaceabiotec.com)

(Rs. in Lakh except per share)



**Extract of Standalone and Consolidated Financial Results (Audited)  
for the Quarter and Year Ended March 31, 2017**

Particulars	Standalone quarter ended		Standalone year ended		Consolidated year ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Total income from operations (net)	16,702	20,315	53,009	64,690	54,480	65,308
Net Profit / (Loss) for the period (before tax, exceptional and/or extraordinary item)	1,452	2,303	(4,624)	(4,825)	(6,427)	(6,858)
Net Profit / (Loss) for the period before tax (after exceptional and/or extraordinary item)	(2,302)	7,268	(8,378)	140	(5,672)	(1,893)
Net Profit/ (Loss) after taxes, minority interest and share of profit/(loss) of associates	(2,549)	7,215	(8,625)	87	(6,446)	(1,829)
Equity Share Capital (face value of Re.1 per share)	613	613	613	613	613	613
Reserves (excluding Revaluation Reserve as shown in the Audited Balance Sheet)	-	-	4,533	10,751	(7,118)	(3,329)
Earning per Share (of Re. 1 each) (annualised, other than Quarter)						
Basic :	(4.16)	11.77	(14.07)	0.14	(10.50)	(2.97)
Diluted:	(4.16)	11.77	(14.07)	0.14	(10.50)	(2.97)

## Notes:

- The above is an extract of the detailed format of Quarterly/Annual 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 and Annual Financial Results are available on the Stock Exchanges websites, NSE- <http://www.nseindia.com>, BSE- <http://www.bseindia.com> and are also available on the Company's website, <http://www.panaceabiotec.com>.
- The above extract of financial results were reviewed by the Audit Committee of the Board and approved by the Board of Directors at their respective meetings held on May 29, 2017 and May 30, 2017 respectively.
- Exceptional and/or Extraordinary items adjusted in the Statement of Profit and Loss in accordance with Companies (Accounting Standards) Rules 2006.
- Previous period / year amounts have been regrouped/ reclassified to make them comparable with those of current period/year.

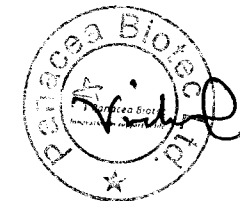
Place: New Delhi  
Date: May 30, 2017

For and on behalf of the Board

*Rajesh Jain*  
Dr. Rajesh Jain  
Joint Managing Director

## 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.panacea-biotec.com>, E-mail: [Corporate@panaceabiotec.com](mailto:Corporate@panaceabiotec.com)

**Statement of Standalone and Consolidated Financial Results (Audited)**  
**for the Quarter and Year Ended March 31, 2017**

(Rs. in Lakh except per share)

Particulars	Standalone quarter ended			Standalone year ended		Consolidated year ended	
	March 31, 2017	December 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
I Revenue from operations	16,702	10,224	20,315	53,009	64,690	54,480	65,308
II Other income	740	1,370	856	5,233	2,556	4,455	2,035
III Total Revenue (I+II)	17,442	11,594	21,171	58,242	67,246	58,935	67,343
IV Expenses	4,316	4,046	4,149	15,702	16,882	16,288	16,561
Cost of raw and packing material consumed	356	589	395	2,162	2,402	2,162	2,402
Purchases of traded goods	1,040	(1,903)	1,762	(980)	2,151	(947)	2,217
Changes in inventories of finished goods, work in progress and stock in trade	2,895	3,534	3,187	13,338	13,980	13,647	14,202
Employee benefits expenses	2,460	2,632	2,434	10,144	11,500	11,171	12,733
Finance costs	1,605	1,645	1,703	6,571	7,132	6,770	7,332
Depreciation and amortisation expenses	3,318	3,976	5,238	15,929	18,024	16,271	18,354
Other expenses	15,990	14,519	18,868	62,866	72,071	65,362	74,201
Total expenses	1,452	(2,925)	2,303	(4,624)	(4,825)	(6,427)	(6,858)
V Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)	(3,754)	-	4,965	(3,754)	4,965	755	4,965
VI Exceptional items (refer note no 5 and 6(b) below)	(2,302)	(2,925)	7,268	(8,378)	140	(5,672)	(1,893)
VII Profit/(Loss) before extraordinary item and tax (V-VI)	-	-	-	-	-	-	-
VIII Extraordinary items	(2,302)	(2,925)	7,268	(8,378)	140	(5,672)	(1,893)
IX Profit/(Loss) before tax (VII-VIII)	-	-	-	-	-	-	-
X Tax expense:	247	-	53	247	53	374	190
Current tax	-	-	-	-	-	(3)	2.0
Deferred tax	247	-	53	247	53	371	192
Total tax expenses	(2,549)	(2,925)	7,215	(8,625)	87	(6,043)	(2,085)
XI Profit/(Loss) for the period (IX-X)	-	-	-	-	-	(511)	22
XII Share of Profit/(Loss) of associates	-	-	-	-	-	108	234
XIII Minority interest	(2,549)	(2,925)	7,215	(8,625)	87	(6,446)	(1,829)
XIV Net Profit/ (Loss)	613	613	613	613	613	613	613
XV Paid up equity share capital (face value of Re.1 per share)	-	-	-	4,533	10,751	(7,118)	(3,329)
XVI Reserves excluding revaluation reserves	-	-	-	-	-	-	-
XVII Earning per share (EPS) (before/after extraordinary items) of Re. 1 each (annualised, other than Quarter)	(4.16)	(4.77)	11.77	(14.07)	0.14	(10.50)	(2.97)
- Basic (in Rs.)	(4.16)	(4.77)	11.77	(14.07)	0.14	(10.50)	(2.97)
- Diluted (in Rs.)	-	-	-	-	-	-	-



Rajin Gargh



**Audited Segment-wise Revenue, Results and Capital Employed**

(Rs. in Lakh)

Particulars	Standalone quarter ended			Standalone year ended		Consolidated year ended	
	March 31, 2017	December 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
<b>I Segment revenue</b>	7,550	2,399	10,888	16,342	25,318	16,342	25,318
(a) Vaccines	8,558	7,662	8,261	35,755	38,065	37,226	38,682
(b) Formulations	594	163	1,166	912	1,307	912	1,308
(c) Research & development	-	-	-	-	-	-	-
(d) Health management	-	-	-	-	-	-	-
(e) Real estate	-	-	-	-	-	-	-
(f) Unallocated	16,702	10,224	20,315	53,009	64,690	54,480	65,308
Gross sale/income from operation	-	-	-	-	-	-	-
Less : Inter segment revenue	-	-	-	-	-	-	-
<b>Net sales/income from operations</b>	<b>16,702</b>	<b>10,224</b>	<b>20,315</b>	<b>53,009</b>	<b>64,690</b>	<b>54,480</b>	<b>65,308</b>
<b>II Segment results</b>							
<b>Profit (+)/ Loss (-) before tax and interest from each segment</b>	2,725	(355)	5,204	2,303	6,669	2,328	6,701
(a) Vaccines	2,587	2,656	1,332	11,807	10,929	12,096	10,873
(b) Formulations	(796)	(1,145)	(359)	(4,792)	(5,177)	(4,791)	(5,177)
(c) Research & development	-	-	-	-	-	(225)	(346)
(d) Health management	-	-	-	-	-	(14)	94
(e) Real estate	-	-	-	-	-	-	-
<b>Total</b>	<b>4,516</b>	<b>1,156</b>	<b>6,177</b>	<b>9,318</b>	<b>12,421</b>	<b>9,394</b>	<b>12,145</b>
Less : i) Interest expense (including bank charges etc.)	2,460	2,632	2,434	10,144	11,500	11,171	12,733
ii) Other unallocated expenditure net off unallocated income	4,358	1,449	(3,525)	7,552	781	3,895	1,305
<b>Total profit before tax</b>	<b>(2,302)</b>	<b>(2,925)</b>	<b>7,268</b>	<b>(8,378)</b>	<b>140</b>	<b>(5,672)</b>	<b>(1,893)</b>
<b>III Segment assets</b>							
(a) Vaccines	63,212	60,352	61,540	63,212	61,540	63,732	61,766
(b) Formulations	40,124	40,056	39,549	40,124	39,549	40,795	40,305
(c) Research & development	22,049	21,200	21,707	22,049	21,707	22,049	21,707
(d) Health management	-	-	-	-	-	15,983	15,934
(e) Real estate	-	-	-	-	-	25,708	26,031
(f) Unallocated	52,219	56,200	57,947	52,219	57,947	17,940	19,698
<b>Total</b>	<b>177,604</b>	<b>177,808</b>	<b>180,743</b>	<b>177,604</b>	<b>180,743</b>	<b>186,207</b>	<b>185,441</b>
<b>IV Segment liabilities</b>							
(a) Vaccines	4,643	4,991	3,825	4,643	3,825	4,656	3,524
(b) Formulations	15,989	14,882	12,707	15,989	12,707	16,367	13,156
(c) Research & development	3,208	2,585	2,230	3,208	2,230	3,208	2,231
(d) Health management	-	-	-	-	-	10,444	10,418
(e) Real estate	-	-	-	-	-	1,989	1,989
(f) Unallocated	107,312	107,037	107,978	107,312	107,978	109,804	109,154
<b>Total</b>	<b>131,152</b>	<b>129,495</b>	<b>126,740</b>	<b>131,152</b>	<b>126,740</b>	<b>146,468</b>	<b>140,472</b>
<b>V Capital Employed</b>							
(Segment assets less segment liabilities)	58,569	55,361	57,715	58,569	57,715	59,076	58,242
(a) Vaccines	24,135	25,174	26,842	24,135	26,842	24,428	27,149
(b) Formulations	18,841	18,615	19,477	18,841	19,477	18,841	19,476
(c) Research & development	-	-	-	-	-	5,539	5,516
(d) Health management	-	-	-	-	-	23,719	24,042
(e) Real estate	(55,093)	(50,837)	(50,031)	(55,093)	(50,031)	(91,864)	(89,456)
(f) Unallocated	46,452	48,313	54,003	46,452	54,003	39,739	44,969
<b>Total</b>							



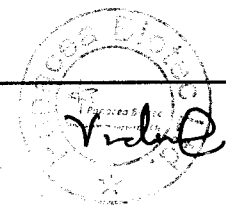
*Rajin*

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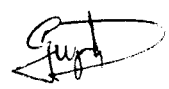
**Statement of Assets & Liabilities**

(Rs. in Lakh)

Particulars	Standalone as at		Consolidated as at	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	(Audited)	(Audited)	(Audited)	(Audited)
<b>I EQUITY AND LIABILITIES</b>				
(1) Shareholders' funds				
(a) Share capital	2,243	2,243	2,243	2,248
(b) Reserves and surplus	44,209	51,760	37,496	42,618
<b>Sub-total</b>	<b>46,452</b>	<b>54,003</b>	<b>39,739</b>	<b>44,861</b>
(2) Share application money (pending allotment)	-	-	-	-
(3) Minority interest	-	-	-	108
(4) Non-current liabilities				
(a) Long-term borrowings	70,605	77,888	78,414	86,708
(b) Deferred tax liabilities (Net)	-	-	46	50
(c) Other long-term liabilities	-	34	6,328	4,811
(d) Long-term provisions	1,719	1,418	1,726	1,423
<b>Sub-total</b>	<b>72,324</b>	<b>79,340</b>	<b>86,514</b>	<b>92,992</b>
(5) Current liabilities				
(a) Short-term borrowings	21,964	21,825	19,763	19,182
(b) Trade payables	22,676	17,350	23,927	18,787
(c) Other current liabilities	14,043	8,088	16,106	9,360
(d) Short-term provisions	145	137	158	151
<b>Sub-total</b>	<b>58,828</b>	<b>47,400</b>	<b>59,954</b>	<b>47,480</b>
<b>TOTAL</b>	<b>177,604</b>	<b>180,743</b>	<b>186,207</b>	<b>185,441</b>
<b>II ASSETS</b>				
(1) Non-current assets				
(a) Fixed assets				
Tangible assets	93,083	97,619	100,518	105,208
Intangible assets	594	1,139	685	1,265
Capital work-in-progress	597	865	14,872	15,059
Intangible assets under development	2,171	1,036	2,171	1,036
(b) Goodwill on consolidation	-	-	736	638
(c) Non-current investments	34,488	39,466	195	519
(d) Long-term loans and advances	5,766	6,452	5,945	6,801
(e) Other non-current assets	15	55	17	56
<b>Sub-total</b>	<b>136,714</b>	<b>146,632</b>	<b>125,139</b>	<b>130,582</b>
(2) Current assets				
(a) Current investments	567	-	27	352
(b) Inventories	13,946	13,657	30,778	30,524
(c) Trade receivables	17,648	14,221	17,508	14,167
(d) Cash and cash equivalents	710	932	2,390	2,293
(e) Short-term loans and advances	7,523	4,766	9,842	6,963
(f) Other current assets	496	535	523	560
<b>Sub-total</b>	<b>40,890</b>	<b>34,111</b>	<b>61,068</b>	<b>54,859</b>
<b>TOTAL</b>	<b>177,604</b>	<b>180,743</b>	<b>186,207</b>	<b>185,441</b>

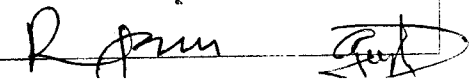



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**Notes:**

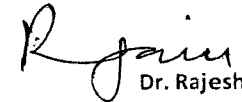
- 1 The above financial results were reviewed by the Audit Committee of the Board and approved by the Board of Directors at their respective meetings held on May 29, 2017 and May 30, 2017 respectively.
- 2 During the quarter:
- (a) the Company received US-FDA approval for its Abbreviated New Drug Application (ANDA) to market a generic version of Rizatriptan Benzoate Tablet, Orally Disintegrating, 5 mg and 10 mg for the acute treatment of migraine in adults and pediatric patients;
- (b) the Company has entered into Long Term Agreement (LTA) with UNICEF for supply of pentavalent vaccine Easyfive-TT for 2017 and also received a notification from Pan American Health Organisation (PAHO) for purchase of Easyfive-TT in the event PAHO should have any requirements through December 31, 2019. Total value of this expected business from these UN Agencies is worth USD 20,475 million; and
- (c) the Company has launched world's first fully liquid whole cell Pertussis (wP) based Hexavalent vaccine, EasySix™ (DTwP-HepB-HibTT-IPV) in India which protects infants from Diphtheria, Tetanus, Whooping Cough, Hib-Meningitis, Hepatitis B and Polio.
- 3 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. The debt obligations, including interest thereon, have been measured, classified and disclosed in these financial statements in accordance with the MRA as per CDR scheme, to the extent agreed with the banks. Completion of certain other terms and conditions are in progress and the management is confident that it will be able to comply with all key conditions of the CDR scheme.
- 4 The Consolidated Financial Results of the Company have been prepared by consolidating the Company's financial results for the financial year 2016-17 with the:-
- (i) Consolidated audited financial results for the financial year 2016-17 of subsidiary company, Radhika Heights Limited;
- (ii) Audited financial results for the financial year 2016-17 of subsidiary companies, Panacea Biotec Germany GmbH, Panacea Biotec (International) SA, Rees Investments Ltd and NewRise Healthcare Private Ltd.;
- (iii) Audited financial results for the period upto January 04, 2017 of overseas Subsidiary Kelisia Holdings Ltd. (liquidated on January 04, 2017);
- (iv) Audited financial results for financial year 2016-17 of Joint Ventures, Adveta Power Private Limited and Chiron Panacea Vaccines Private Ltd. (under liquidation); and
- (v) Audited financial results for the financial year 2016-17 of Associate Company, PanEra Biotec Private Ltd.
- 5 As at March 31, 2017, the Company held 88.8% of total equity stake in its subsidiary, NewRise Healthcare Pvt. Ltd. During April 2017, the Company had acquired the remaining equity shares from the minority shareholders therein and subsequently sold the entire 100% equity stake to Narayana Hrudayalaya Ltd. For an enterprise value of Rs.18,000 Lakh. The Company has incurred a loss of Rs.4,509 Lakh on such sale which is included in the exceptional items.
- 6 With respect to the observations of the auditors in their report on the above results:
- (a) 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. ("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. In view of ongoing discussions with the Developer and on the basis of the legal advice obtained, the Company 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 Company 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.
- (b) During the financial year 2015-16, State Bank of Travancore ("SBT") and State Bank of Mysore ("SBM") had absolutely assigned all the rights, title and interests in financial assistances granted to the Company, with all the underlying rights, benefits and obligations in favor of Edelweiss Asset Reconstruction Company Limited ("EARC"). EARC restructured the SBT loan during the financial year 2015-16 and also provided 'in principle' approval for restructuring the SBM loan during the financial year 2016-17, which was acted upon by both parties. Pursuant to the said restructuring of the SBM loan, the Company has recorded Rs. 755 Lakh as an exceptional item, being the difference between the original loan amount and the restructured amount. Further, during financial year 2016-17, the Company has paid all its principal instalments and interests with respect to the said restructured loans on time except for the installment due in March 2017 that was delayed due to reasons beyond the Company's control. The aforesaid installment was subsequently paid in April 2017 alongwith necessary default interest. However, in April 2017, EARC has sought to revoke the restructuring of the loans assigned to it by SBT and SBM and has claimed to reinstate the dues as per the original outstanding to SBT and SBM. The Company has discussed the matter with EARC as well as made petitions with the CDR Empowered Group ("CDR EG") that the revocation sought by EARC is unjustified and is not in consonance with the CDR guidelines. The matter is currently under consideration at CDR EG. Further, the EARC had informed the total outstanding loan of Rs. 19,694 Lakh as on March 31, 2017, which in Company's view is inaccurate and misleading and therefore has been disputed by the Company. As per the Company, the outstanding amount of such loans as on March 31, 2017 is Rs. 12,272 Lakh including accrued interest thereon. Based on the management's internal evaluation, legal advice obtained and discussions in the meeting with CDR EG held on May 25, 2017, the Company believes that outcome of the matter will be in Company's favour and 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. 291 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. 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 financial years 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. 747 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 year ended March 31, 2017, the Company has incurred a loss of Rs. 8,625 lakh (Previous year Profit of Rs. 87 lakh) including exceptional loss of Rs. 3,754 lakh (Previous year exceptional gain of Rs. 4,965 lakh). The continuous losses have adversely affected the cash flows of the Company. These conditions, read with note 3 and 6(b) 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; initiating supply of oral polio vaccine from Baddi facility, entering into strategic alliances with domestic as well foreign collaborators for supply of products, launch of innovative new products, viz. CABAPAN (Cabazitaxel), hexavalent vaccine EasySix™ (DTwP-HepB-Hib-IPV), expediting development of new products and monetization of non-core assets, etc.. Based on above measures and continuous efforts to improve the business performance and as explained in note 3 and 6(b) 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.
- 7 The amounts for the quarter ended March 31, 2017 are the balancing amounts between audited amounts in respect of the full financial year upto March 31, 2017 and the unaudited published year-to-date amounts upto December 31, 2016, being the date of the end of the third quarter of the financial year, which were subjected to limited review.
- 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 / year amounts have been regrouped/ reclassified 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: May 30, 2017

For and on behalf of the Board

  
Dr. Rajesh Jain  
Joint Managing Director

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.panacea-biotec.com> - E-mail: [corporate@panaceabiotec.com](mailto:corporate@panaceabiotec.com)



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## Independent Auditor's Report on Standalone 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 Biotec Limited

1. We have audited the standalone financial results of Panacea Biotec Limited ('the Company') for the year ended 31 March 2017, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 7 to the standalone financial results regarding the figures for the quarter ended 31 March 2017 as reported in these standalone financial results, which are the balancing figures between audited standalone figures in respect of the full financial year and the published standalone year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These standalone financial results are based on the standalone financial statements for the year ended 31 March 2017 prepared in accordance with the accounting principles generally accepted in India, including Accounting Standards ('AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and published standalone year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of the standalone financial statements for the year ended 31 March 2017 and our review of standalone financial results for the nine months period ended 31 December 2016.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, 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

# Walker Chandiook & Co LLP

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

3. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial results:
- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
  - (ii) give a true and fair view of the standalone net loss and other financial information in conformity with the accounting principles generally accepted in India for the year ended 31 March 2017.
4. We draw attention to the following notes to the annual financial results:
- a) Note 6(a) to the standalone financial results 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 6(b) to the standalone financial results regarding the revocation of loan restructuring facility by one of the lender of the Company, which may result in reinstatement of the outstanding loan liability as per the original term of the loan agreement after adjusting the payments made till date.
  - c) Note 6(c) to the standalone financial results regarding payment of managerial remuneration for the financial years ended 31 March 2017, 2016, 2014 and 2013, which is in excess of the limits specified by the relevant provisions of the Companies Act, 2013 /the Companies Act, 1956 by Rs. 747 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 747 lakhs as recoverable from the directors towards such excess remuneration paid. The Company is also in the process of filing applications with Central Government for waiver of recovery of such excess remuneration paid.
  - d) Note 6(d) to the standalone financial results which indicates that the Company has incurred a net loss (before exceptional items) of Rs. 4,871 lakhs during the year ended 31 March 2017 and as of that date, the Company's current liabilities exceeded its current assets by Rs. 17,937 lakhs. These conditions along with other matters as set forth in aforesaid note and (b) above indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

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

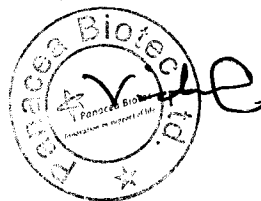
*Walker Chandiook & Co LLP*  
For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

*Anupam Kumar*  
per Anupam Kumar  
Partner

Membership No. 501531



Place: Gurgaon

Date: 30 May 2017

# Walker Chandiook & Co LLP

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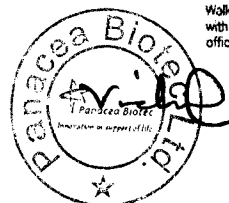
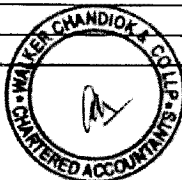
## Independent Auditor's Report on Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### To the Board of Directors of Panacea Biotec Limited

1. We have audited the consolidated financial results of Panacea Biotec Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and jointly controlled entities for the year ended 31 March 2017, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated financial results are based on the consolidated financial statements for the year ended 31 March 2017 prepared in accordance with the accounting principles generally accepted in India, including Accounting Standards ('AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial statements for the year ended 31 March 2017.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial results and on other financial information of the subsidiaries, associate and jointly controlled entities, the consolidated financial results:

- (i) include the financial results for the year ended 31 March 2017, of the following entities:

Name of the Entity	Nature of Relationship
Panacea Biotec Limited	Holding Company
Radhika Heights Limited	Subsidiary Company
NewRise Healthcare Private Limited	Subsidiary Company
Rees Investments Limited	Subsidiary Company
Panacea Biotec (International) SA	Subsidiary Company
Cabana Construction Private Limited	Step down subsidiary



Chartered Accountants

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

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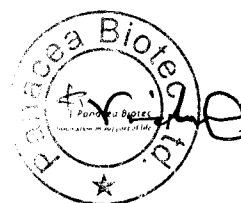
Auditor's Report on Consolidated Financial Results of Panacea Biotec Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Cont'd)

Cabana Structures Limited	Step down subsidiary
Nirmala Buildwell Private Limited	Step down subsidiary
Nirmala Organic Farms & Resorts Private Limited	Step down subsidiary
Radicura Infra Limited	Step down subsidiary
Sunanda Infra Limited	Step down subsidiary
Kelisia Holdings Limited#	Step down subsidiary
Panacea Biotec Germany Gmbh	Step down subsidiary
PanEra Biotec Private Limited	Associate
Chiron Panacea Vaccines Private Limited	Jointly controlled entity
Adveta Power Private Limited	Jointly controlled entity

# liquidated during the year

- (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
- (iii) give a true and fair view of the consolidated net loss and other financial information in conformity with the accounting principles generally accepted in India for the year ended 31 March 2017.
4. We draw attention to the following notes to the annual financial results:
- a) Note 6(a) to the consolidated financial results regarding capital advances amounting to Rs. 1,768 lakhs given to a real estate developer for acquiring certain immovable properties in Dubai where the Holding Company has initiated legal recourse.
- b) Note 6(b) to the consolidated financial results regarding the revocation of loan restructuring facility by one of the lender of the Holding Company, which may result in reinstatement of the outstanding loan liability as per the original term of the loan agreement after adjusting the payments made till date.
- c) Note 6(c) to the consolidated financial results regarding payment of managerial remuneration for the financial years ended 31 March 2017, 2016, 2014 and 2013, which is in excess of the limits specified by the relevant provisions of the Companies Act, 2013 /the Companies Act, 1956 by Rs. 747 lakhs for the said years. The Holding Company's applications to the Central Government seeking approval for payment of such excess remuneration have not been approved and consequently the Holding Company is required to recover the excess amount thus paid for the said years. The Holding Company has recorded an amount of Rs 747 lakhs as recoverable from the directors towards such excess remuneration paid. The Holding Company is also in the process of filing applications with Central Government for waiver of recovery of such excess remuneration paid.
- d) Note 6(d) to the consolidated financial results which indicates that the Group has incurred a net loss (before exceptional items) of Rs. 7,201 lakhs during the year ended 31 March 2017 and as at that date its accumulated losses amounted to Rs. 31,248 lakhs. These conditions along with other matters as set forth in aforesaid note and (b) above indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

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



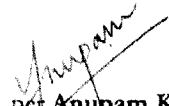
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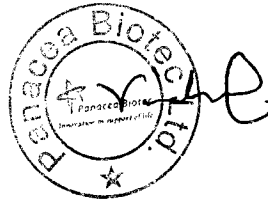
Auditor's Report on Consolidated Financial Results of Panacea Biotec Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Cont'd)

5. We did not audit the financial statements of twelve subsidiaries and two jointly controlled entities, whose financial statements reflect total assets of Rs. 47,298 lakhs and net assets of Rs. 17,207 lakhs as at 31 March 2017, and total revenues of Rs. 1,476 lakhs for the year ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net loss of Rs. 511 lakhs for the year ended 31 March 2017, as considered in the consolidated financial results, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and jointly controlled entities, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid subsidiaries, associate and jointly controlled entities, are based solely on the reports of such other auditors.

Our opinion on the consolidated financial results is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

Walker Chandiook & Co LLP  
For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

  
per Anupam Kumar  
Partner  
Membership No. 501531



Place: Gurgaon  
Date: 30 May 2017