

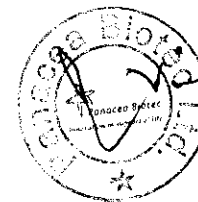
Particulars	(Rs. in Lacs)					
	For Quarter ended			For 9 Months ended		For Year Ended
	31.12.11	30.9.2011	31.12.10	31.12.11	31.12.10	31.03.11
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. (a) Net Turnover / Income from Operations	15,298	22,442	28,406	59,840	79,053	113,046
(b) Other Operating Income	218	435	875	1,123	1,693	2,193
Total Income	15,516	22,877	29,281	60,963	80,746	115,239
2. Expenditure						
a. (Increase)/decrease in stock in trade and work in progress	5,240	820	(559)	(489)	186	5,887
b. Consumption of materials	2,779	11,682	12,112	29,048	33,469	44,576
c. Purchase of traded goods	488	845	813	1,940	2,027	2,444
d. Manufacturing & Administrative Exp.	2,907	2,958	2,372	8,514	7,625	10,793
e. Research & Development Exp.	1,971	1,699	1,923	4,997	4,385	5,946
f. Employees cost	3,188	3,393	2,920	9,631	8,859	12,939
g. Depreciation	1,940	2,001	1,827	5,572	5,409	7,311
h. Other expenditure	1,827	1,277	1,471	4,700	4,183	5,935
i. Total	20,340	24,675	22,878	63,913	66,143	95,831
3. Profit from Operations before other income, Interest, Foreign Exchange Fluctuation Gain/ (Loss) & Exceptional items (1-2i)	(4,824)	(1,798)	6,403	(2,950)	14,603	19,408
4. Other Income	201	99	315	467	855	1,312
5. Profit before Interest, Foreign Exchange Fluctuation Gain / (Loss) & Exceptional Items (3+4)	(4,623)	(1,699)	6,718	(2,483)	15,458	20,720
6. Interest	1,635	1,469	1,257	4,735	3,253	4,780
7. Exchange Fluctuation Loss/ (Gain)	1,079	865	(144)	2,080	206	391
8. Profit after Interest but before Exceptional Items (5-6-7)	(7,337)	(4,033)	5,605	(9,298)	11,999	15,549
9. Exceptional items	-	-	-	-	-	-
10. Profit / (Loss) from Ordinary Activities before tax (8-9)	(7,337)	(4,033)	5,605	(9,298)	11,999	15,549
11. Tax expenses	(165)	(669)	1,345	(434)	2,797	2,044
12. Net Profit / (Loss) from Ordinary Activities after tax (10-11)	(7,172)	(3,364)	4,260	(8,864)	9,202	13,505
13. Extraordinary items (net of tax expenses)	-	-	-	-	-	-
14. Net Profit / (Loss) for the period (12-13)	(7,172)	(3,364)	4,260	(8,864)	9,202	13,505
15. Paid up equity share capital (face value of Re.1 per share)	613	613	613	613	613	613
16. Reserves excluding Revaluation Reserves	-	-	-	-	-	63,068
17. Earning Per Share (EPS) - Basic	(11.71)	(5.49)	6.83	(14.47)	14.40	21.35
- Diluted	(11.71)	(5.49)	6.36	(14.47)	13.45	21.35
18. Public shareholding						
- No. of shares	15,406,396	15,389,192	15,389,192	15,406,396	15,389,192	15,364,465
- Percentage of shareholding	25.15	25.12	25.12	25.15	25.12	25.08
19. Promoters and promoter group Shareholding						
a) Pledge / Encumbered						
- Number of Shares	20,096	38,000	38,000	20,096	38,000	38,000
- % of Shares (as a % of the total shareholding of promoter & promoter group)	0.04	0.08	0.08	0.04	0.08	0.08
- % of Shares (as a % of the total Share Capital of the Company)	0.03	0.06	0.06	0.03	0.06	0.06
b) Non-encumbered						
- Number of Shares	45,824,254	45,823,554	45,823,554	45,824,254	45,823,554	45,848,281
- % of Shares (as a % of the total shareholding of promoter & promoter group)	99.96	99.92	99.92	99.96	99.92	99.92
- % of Shares (as a % of the total Share Capital of the Company)	74.82	74.81	74.82	74.82	74.82	74.86



10/21/2012

Unaudited Segment-wise Revenue , Results, and Capital Employed

Particulars	For Quarter ended			For Nine Months ended		For Year Ended
	31.12.11	30.9.2011	31.12.10	31.12.11	31.12.10	31.03.11
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
(a) Vaccines	6,873	13,089	21,394	33,605	56,051	83,787
(b) Formulations	8,470	9,526	7,251	26,614	23,569	30,073
(c) Research & Development	-	-	-	-	-	-
(d) Unallocated	173	262	636	744	1,126	1,379
Gross Sale/Income from Operation	15,516	22,877	29,281	60,963	80,746	115,239
Less : Inter Segment Revenue	-	-	-	-	-	-
Net Sales/Income from Operations	15,516	22,877	29,281	60,963	80,746	115,239
2. Segment Results Profit (+) before tax and interest from each segment						
(a) Vaccines	(1,620)	(299)	9,188	3,005	19,440	29,512
(b) Formulations	1,571	2,692	1,098	6,654	5,587	5,711
(c) Research & Development	(2,405)	(2,128)	(2,057)	(6,243)	(5,560)	(7,531)
(d) Unallocated	-	-	-	-	-	-
Total	(2,454)	265	8,229	3,416	19,467	27,692
Less : i) Interest	1,635	1,469	1,257	4,735	3,253	4,780
ii) Other Un-allocated Expenditure net off Un-allocated income.	3,248	2,829	1,367	7,979	4,215	7,363
Total Profit Before Tax	(7,337)	(4,033)	5,605	(9,298)	11,999	15,549
3. Capital Employed (Segment assets-Segment Liabilities)						
(a) Vaccines	63,318	63,882	69,808	63,318	69,808	79,443
(b) Formulations	23,379	22,326	21,365	23,379	21,365	17,641
(c) Research & Development	20,318	21,144	21,857	20,318	21,857	21,248
(d) Unallocated	(52,199)	(45,366)	(45,153)	(52,199)	(45,153)	(54,654)
Total Capital Employed	54,816	61,986	67,877	54,816	67,877	63,678
Regd. Office : Ambala-Chandigarh Highway, Lalru- 140501, Punjab						



[Handwritten Signature]
10/2/2012

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 9th February, 2012 and 10th February, 2012 respectively.
- 2 Tax expense includes income tax and deferred tax.
- 3 The Company's Indirect Overseas Subsidiary, Panacea Biotec (Europe) AG has been dissolved and an amount of USD 26,840 (around Rs.14 Lac) was transferred to the credit of its holding company, Panacea Biotec (International) S.A. Balance amount of USD 80,160 (around Rs.43 Lac) was written off as loss on investments in its Books of Accounts.
- 4 During the quarter, an amount of US\$ 1,325,000 (around Rs.685.27 Lac) was remitted to the Company's WOS, Rees Investments Limited, Guernsey in terms of existing Loan Agreement. During the quarter, the Company also paid Rs 7,000.0 Lac as share application money towards subscription for Redeemable Preference Shares in another WOS, Best On Health Ltd. as per the existing terms thereof. However the same amount was received back during current quarter.
- 5 During the quarter, the Company has launched new products namely HIFIBRE 200 (Bulk Lexative), VALUECEF -O (Antibiotic), TOFF-LIX (Cough Syrup), WHOLESUM (Nutritional Supplement), UCIRO 150 & 300 (Chronic Liver Disease) and IMUZA (Immunosuppressant).
- 6 During the quarter, the Company's advanced drug delivery based innovative product, PacliALL (which leverages the nano-particle advantage for treatment of cancer) was awarded the "BioSpectrum Product of the Year 2011" Award.
- 7 Pursuant to the amendment to Accounting standard (AS)11, "The effects of changes in Foreign Exchange Rates" vide notification issued by Ministry of Corporate Affairs dated 29.12.2011, exchange differences of Rs. 2,129 Lac for the current quarter and of Rs. 4,942 Lac for the period ended 31st December 2011, arising on long term foreign currency monetary items so far as they relate to acquisition of depreciable capital assets has been capitalised in the books of accounts and the same has been depreciated over the useful life of assets. Besides, the unamortised portion of exchange difference of Rs. 561 Lacs as on 31st December, 2011 arising on long term foreign currency monetary items not related to the acquisition of depreciable capital assets has been accumulated in the "Foreign Currency Monetary Item Translation Difference Account".
- 8 Income Tax department has conducted search on the Company's two premises on 10th and 11th January, 2012, u/s 132 of the Income Tax Act 1961 and Investigation Wing will submit its appraisal report on the proceedings of search operation within the specified period. The company does not foresee to incur any income tax liability due to these proceedings.
- 9 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.
- 10 As regards Auditors' observations in their report on the Audited Accounts for the Financial Year 2010-11 and in their limited review report on the above results:
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.68 Lacs towards the above said expenditure on clinical trials during the quarter ended December 31, 2011, has also been capitalized on similar grounds. The total amount of such capitalization up to December 31, 2011 is Rs.6,459 Lacs.
- 11 As regards Auditors' observations in their limited review report on the above results:
 - i) During the quarter ended September 30, 2011, 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 in due course.
 - ii) With regard to managerial remuneration of Rs. 429 Lacs for the nine months period ended 31st December, 2011, in excess of limits prescribed under Section 198 and 309 read with Part II of Schedule XIII of the Companies, Act, 1956, the amount paid as managerial remuneration is likely to exceed prescribed limits in the aforesaid section of the Companies, Act, 1956 due to unexpected inadequacy of profits during the relevant period. The company has initiated steps to obtain approval from Central Government for the excess remuneration paid.
- 12 CARE has assigned 'CARE A-' (Single A Minus) to Long-term Bank Facilities, 'CARE A2+' (A Two Plus) to the Long-term/Short-term Bank Facilities and 'CARE A1' (A one) to the CP/Short term NCD (within working capital limits from the Banks).
- 13 The Statutory Auditors have also carried out limited review of these results and have given their observations in their report in respect of para 10,11 (i) & (ii) above.
- 14 Status of Investors' complaints [in nos.] during the quarter, pursuant to clause 41 of listing agreement: Opening [1]; Received [2]; Disposed [2]; Closing [1]. The same has been subsequently disposed off.
- 15 The previous period's figures have been regrouped/ rearranged/ reclassified wherever necessary.

For and on behalf of the Board

New Delhi
February 10, 2012Dr. Rajesh Jain
Joint Managing DirectorPanacea Biotec Limited
Regd. Office : Ambala-Chandigarh Highway, Lalru- 140501, Punjab<http://www.panacea-biotec.com>

Panacea Biotec

Innovation in support of life

Press Release
New Delhi
February 10, 2012

Panacea Biotec reports financial results for the Quarter & Nine months ended December 31, 2011

New Delhi, February 10, 2012: Panacea Biotec today announced its unaudited financial results for the quarter and nine months ended December 31, 2011. The Company's Board met here on Friday, February 10, 2012 to consider and approve its unaudited financial results for the quarter and nine months ended December 31, 2011. The results were also reviewed by the Company's Audit committee in their meeting held on Thursday, February 09, 2012.

Quarter ended December 31, 2011 (Q3FY12): The Company registered net turnover of Rs.1,530 million during the Q3FY12 as compared to Rs.2,841 million for the Q3FY11. The pharmaceutical formulations segment registered 17% growth with net turnover of Rs.844 million during Q3FY12 against Rs.719 million during Q3FY11. During the quarter under review, the exports of pharmaceutical formulations grew by 64% to Rs.223 million on account of increased exports to countries in LATAM region, CIS region and Middle East. The domestic pharmaceutical formulations business grew by 6% to Rs.621 million. The vaccine segment registered net turnover of Rs.686 million during Q3FY12 as compared to Rs.2,121 million during Q3FY11. The decline in sales of vaccine segment is mainly due to delisting of the pentavalent vaccine by WHO from its list of pre-qualified vaccines. The Company also witnessed lower sales of its polio vaccines due to reduced immunisation activities in the country during this period. India has not registered any case of polio since January 13, 2011. As a result of lower net turnover, the Company reported negative PAT of Rs.717 million during Q3FY12 as compared to PAT of Rs.426 million during Q3FY11.

Nine months ended December 31, 2011 (9MFY12): The Company registered net turnover of Rs.5,984 million during 9MFY12 as compared to Rs.7,905 million during 9MFY11. The net turnover of pharmaceutical formulations segment grew by 13% to Rs.2,634 million during 9MFY12 as compared to Rs.2,332 million during 9MFY11. The exports of pharmaceutical formulations grew by 48% at Rs.699 million whereas domestic pharmaceutical formulations grew by 4% at Rs.1,934 million during the nine months under review. The vaccine segment registered net turnover of Rs.3,350 million during 9MFY12 as compared to Rs.5,573 million 9MFY11 due to reasons explained above. The Company reported negative PAT of Rs.886 million during 9MFY12 as compared to PAT of Rs. 920 million 9MFY11.

Dr. Rajesh Jain, Joint Managing Director said, "The current performance continues to be affected due to the delisting of pentavalent vaccine, following a routine site audit by a WHO team in July 2011. We have taken several corrective and preventive measures and are in active touch with WHO in this respect. We are confident that with these corrective and preventive measures, we will be able to get re-listing of our pentavalent vaccine in the list of WHO prequalified vaccines soon. Our Pharma business continues its growth trend with 17% growth during the current quarter on the back of 64% growth in exports to key ROW markets in LATAM, CIS region and Middle East. We have also started our operations in Germany with the launch of TACPAN (Tacrolimus) as the first product. We will continue to focus on increasing the exports of pharmaceutical formulations to emerging ROW markets as well as the ICH region."



Panacea Biotec

Innovation in support of life

New Products Launched

During the quarter under review, the Company has launched several new products including **HIFIBRE 200** (Bulk Laxative), **VALUECEF-O** (Antibiotic), **TOFF-LIX** (Cough Syrup), **WHOLESUM** (Nutritional Supplement), **UCIRO** (Chronic Liver Disease) and **IMUZA** (Immunosuppressant) in pharmaceutical formulations segment.

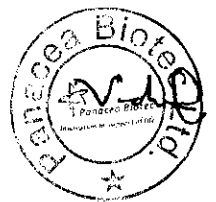
PacliALL – an indigenously developed Albumin bound Paclitaxel Particles formulation by Panacea Biotec has won the prestigious “**BioSpectrum Product of the Year Award 2011**” at Bangalore on 16th December 2011. PacliALL also earned Panacea Biotec the **First “India Nanotech Innovation Award 2011”** by Karnataka Govt. in December 2011.

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 largest vaccine producer in India. Panacea Biotec has been ranked as the 3rd largest biotechnology company (ABLE Survey June, 2011) and is also amongst the top 40 pharmaceutical companies in India (IMS TSA MAT March' 2011). 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, and SA-MCC and WHO-cGMP standards. Panacea Biotec has four dedicated research and development centers. The company has around 3,800 employees including over 300 scientists. The company also has 382 product patents, valid in more than 68 countries worldwide.

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Disclaimer

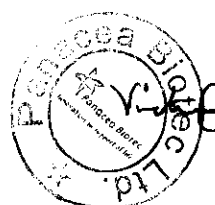
Except for the historical information contained herein, statements in this Release which contain words or phrases such as 'will', 'would', 'indicating', 'expected to' etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-looking statements 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.

Limited Review Report**Review Report to
The Board of Directors
Panacea Biotec Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Panacea Biotec Limited ('the Company') for the quarter ended December 31, 2011 (the "Statement"), 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) 2400, Engagements to Review Financial Statements 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. a.) Without qualifying our conclusion, we draw attention to Note 10 of accompanying unaudited financial results regarding capitalization of expenditure on clinical trials amounting to Rs. 68 lacs for quarter ended December 31, 2011 and Rs. 6,459 lacs as of December 31, 2011. The ultimate approval of such products, which has been considered as highly likely by the management, is not within direct control of the entity. No adjustments have been made to the accompanying statement of results in view of above.

b.) Without qualifying our conclusion, we draw attention to Note 11 (i) of accompanying unaudited financial results regarding delisting of Company's DTP-based combination vaccines by WHO from its list of pre-qualified vaccines. The Company has initiated steps in order to get these products re-listed in the list of prequalified vaccines of WHO. Pending outcome of the above measures, no adjustments have been made to the accompanying statement of results.

c.) Without qualifying our conclusion, we draw attention to Note 11 (ii) of accompanying unaudited financial results regarding managerial remuneration of Rs. 429 lacs for the nine months period ending 31st December 2011, which is likely to exceed the limits specified by the relevant provisions of the Companies Act, 1956 on account of losses incurred during the relevant period. The Company has initiated steps to obtain approval from Central Government in respect to the excess remuneration paid. Pending outcome of the steps taken, no adjustments have been made to the accompanying statement of results.



S.R. BATLIBOI & Co.

Chartered Accountants

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) and other recognized 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.

For S. R. Batliboi & Co.

Firm registration number: 301003E

Chartered Accountants

per Rajiv Goyal
Partner

Membership No.: 94549



Place : Gurgaon, Haryana

Date : February 10, 2012