

15th September, 2017

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



Sub.: Clarification

Dear Sir/Madam,

This is with reference to your e-mail dated September 14, 2017 seeking clarification on the announcement submitted to the Exchange dated September 13, 2017, regarding Outcome of the Board Meeting held on September 13, 2017.

Relating thereto, we would like to submit as under:

S. No.	Particulars	Description
1.	Brief details of the division(s) to be demerged	Subject to the requisite approvals including approval from the banks/lending institutions, SEBI, NSE, BSE, shareholders, creditors and the Hon'ble National Company Law Tribunal (NCLT) and compliance with the applicable laws, the proposed Scheme of Arrangement ("Scheme") proposes to: a) demerge the real estate business of Panacea Biotec Limited ("the Company/PBL") comprising of Radhika Heights Limited ("RHL") alongwith its subsidiaries and two properties viz. DCM Building Property and Jonapur Property (Demerged Undertaking 1) from PBL into a Resulting Company as a separate listed company; and b) demerge the specified leasing business of RHL alongwith its Mohan Cooperative Property (Demerged Undertaking 2) from RHL into PBL.



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Panacea Biotec Ltd.

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2.	Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year	<table border="1" data-bbox="754 271 1444 443"> <tr> <td>Turnover of Demerged Undertaking 1 FY 2016-17 (Rs. in million)</td> <td>% to the total turnover of PBL</td> </tr> <tr> <td colspan="2" style="text-align: center;">NIL*</td> </tr> </table> <table border="1" data-bbox="754 488 1444 696"> <tr> <td>Turnover of Demerged Undertaking 2 FY 2016-17 (Rs. in million)</td> <td>% to the total turnover of PBL</td> </tr> <tr> <td style="text-align: center;">6.91</td> <td style="text-align: center;">0.13</td> </tr> </table> <table border="1" data-bbox="754 723 1444 862"> <thead> <tr> <th colspan="2">*Total Income of Radhika Heights Limited for FY 2016-2017</th> </tr> <tr> <th>Particulars</th> <th>(Rs. in million)</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operations</td> <td style="text-align: right;">8.05</td> </tr> <tr> <td>Other Income</td> <td style="text-align: right;">33.06</td> </tr> <tr> <td>Total Income</td> <td style="text-align: right;">41.11</td> </tr> </tbody> </table>	Turnover of Demerged Undertaking 1 FY 2016-17 (Rs. in million)	% to the total turnover of PBL	NIL*		Turnover of Demerged Undertaking 2 FY 2016-17 (Rs. in million)	% to the total turnover of PBL	6.91	0.13	*Total Income of Radhika Heights Limited for FY 2016-2017		Particulars	(Rs. in million)	Revenue from Operations	8.05	Other Income	33.06	Total Income	41.11
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3.	Rationale for demerger	<ul style="list-style-type: none"> • To increase efficiencies in management, control and administration of the affairs of the Company and its subsidiaries; • To enable the Company to focus on its core business, viz. pharma and vaccines; • To create and enhance stakeholders' value by unlocking the intrinsic value of its core businesses in pharma and vaccine segments; • To address the concern of potential investors as to investment in non-core areas viz. real estate business; • To raise necessary resources for the respective businesses independently; and • To implement the family settlement entered into among the promoters. 																		
4.	Brief details of change in shareholding pattern (if any) of all entities	<p>Pursuant to the Scheme of Arrangement, the existing shares held by PBL in RHL will be cancelled and RHL will issue new shares to all the shareholders of PBL (promoters as well as public) in the same proportion and the new equity shares issued by RHL will be listed on BSE and NSE.</p> <p>Subsequent to the Scheme of Arrangement taking into effect pursuant to the order of NCLT:</p>																		



		<ul style="list-style-type: none"> • While the aggregate shareholding of promoters group in PBL shall remain the same, there will be inter-se transfer among the promoters and promoters group; • RHL shall be controlled and managed by Mr. Ravinder Jain. PBL shall continue to be controlled and managed by the remaining 3 promoters, viz. Mr. Soshil Kumar Jain, Dr. Rajesh Jain and Mr. Sandeep Jain. <p>Post inter-se transfer of shares among promoters group, the equity shareholding pattern of both the companies would be as under:</p> <p>PBL :</p> <table border="1" data-bbox="799 775 1449 949"> <thead> <tr> <th>Category of Shareholders</th> <th>Pre</th> <th>Post</th> </tr> </thead> <tbody> <tr> <td>Promoter and Promoter Group</td> <td>74.60%</td> <td>74.60%</td> </tr> <tr> <td>Public</td> <td>25.40%</td> <td>25.40%</td> </tr> </tbody> </table> <p>RHL:</p> <table border="1" data-bbox="799 1005 1449 1223"> <thead> <tr> <th>Category of Shareholders</th> <th>Pre</th> <th>Post</th> </tr> </thead> <tbody> <tr> <td>PBL</td> <td>100%</td> <td>Nil</td> </tr> <tr> <td>Promoter and Promoter Group</td> <td>Nil</td> <td>74.60%</td> </tr> <tr> <td>Public</td> <td>Nil</td> <td>25.40%</td> </tr> </tbody> </table>	Category of Shareholders	Pre	Post	Promoter and Promoter Group	74.60%	74.60%	Public	25.40%	25.40%	Category of Shareholders	Pre	Post	PBL	100%	Nil	Promoter and Promoter Group	Nil	74.60%	Public	Nil	25.40%
Category of Shareholders	Pre	Post																					
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Category of Shareholders	Pre	Post																					
PBL	100%	Nil																					
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5.	In case of cash consideration - amount or otherwise share exchange ratio	<p>Pursuant to the Scheme of Arrangement, the existing shares held by PBL in RHL will be cancelled and RHL will issue new shares to all the shareholders of PBL (promoters as well as public) in the same proportion and the new equity shares issued by RHL will be listed on BSE and NSE.</p> <p>As per the draft Scheme, RHL will issue:</p> <ol style="list-style-type: none"> a) 2 (two) fully paid up equity shares of Re.1 (Rupee One) each, credited as fully paid-up, to the equity shareholders of PBL for every 1 equity share of Re.1 each held by them in PBL; and b) 1 (one) 0.5% Cumulative non-convertible and non-participating Redeemable Preference Shares of Rs.10 (Rupees Ten) each, credited as fully paid-up, to the Preference Shareholders of PBL for every 100 Preference Shares of Rs.10 each held by 																					



(iii)

		them in PBL.
6.	Whether listing would be sought for the resulting entity	Yes, the Resulting Company viz. RHL will be listed on NSE and BSE.

This is for your kind information and record please.

Thanking you,
Sincerely yours,
for **Panacea Biotec Ltd.**



Vinod Goel
Group CFO and Head Legal
& Company Secretary



cc: BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
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BSE Scrip Code: 531349

