POCHIRAJU

Pochiraju Industries Limited

10th August , 2015

The General Manager
The Listing Department
National Stock Exchange of (India) Limited
BandraKurla Complex,
MUMBAI.

Respected Sir,
Sub : Outcome of the Board meeting of the company held on 10th August, , 2015

The outcome of the board meeting of the company held on 10th August, 2015 at 3.00 p.m. is as follows:

1. The Financial results for the quarter 3oth June, 2015, reviewed by the audit committee taken on record by the Board of Directors of the company and subject to limited review by the auditors of the company.

2. The Board has reviewed the progress of the Agri Division, Bio Pharma Division and Pharma Divisions of the company.

3. The Board has reviewed and taken note of the Research and Development activities of the Bio Pharma Division and taken note the following :

   The Bophirima division's R & D center was operational since 2009 and is recognized by Department of Scientific and Industrial Research (DSIR) , Ministry of Science , Government of India. With a team of scientific professionals the center is involved in the process development of different segments of biologics such as vaccines, probiotics, peptides and Therapeutic Proteins. All the research and development expenditure including the overheads of the Bo Pharma Plant at Alexandria Knowledge Park since last 6 years were met from the internal generations of the Company's Agri division .

   Presently there are around more than ten molecules which are ready for commercial production which requires dedicated production blocks /suits for dedicated segments/products for which the company has gone ahead with Phase II expansion with an estimated additional capital cost of around Rs. 64.00 crores . The Company has already invested around Rs. 25.00 crores on Phase II expansion from its internal generations of its Agri Division.

Contd....2

POCHIRAJU INDUSTRIES LIMITED Satyamangalam T.N.

Plant & Office : Plot No - 7, Phase - II, S.P.Biotech Park, Shameerpet, Ranga Reddy District. - 500 078. Andhra Pradesh
Tel No.: 040 - 27778999, Fax No. 040-27778777, 27778888
E-mail : pochirajuhyd@hotmail.com, Website : www.pochiraju.co.in

Regd. Office : 1/102, Sathyamangalam Village, Bagalur - Berigai Road, Thummanapalli Post, Hosur Taluk, Krishnagiri Dist. T.N. - 635 105
Tel : +91-4344 254988, Fax : +91-4344 255044, E-mail : pochirajuflori@hotmail.com

The Company is looking for a Strategic Investor and was in negotiations with potential investors. The negotiations done during December 2014 and January 2015 could not be materialized due to unacceptable terms and conditions which the Management of the Company felt are detrimental to the best interest of the Company.

Presently the Company is in negotiation with an Israeli MNC for turnkey completion of Phase II and equity participation.

4. The Board has reviewed the operations of agri division of the Company and taken note the following

The agro operations of the Company involve mainly 1. The floriculture unit of the Company situated at Satyamangalam village, HosurTaluk, Krishnagiri District, Tamilnadu, 2. Nursery Operations and 3.Trading of fresh agro produce like Flowers, Fruits, Vegetable, Plants and other related agro commodities. The agro division's major revenues are from its trading activity.

The Company has tie up with around three thousand farmers all over India for procurement of different agriculture produce. Traditionally The Company supports the farmers by supplying inputs during the sowing season and procures the produce during harvest and supplies the same to local markets which involves requirement of huge working capital.

Due to the severe cyclonic storm during last year in costal Andhra Pradesh and unseasonal rains in Southern States like Tamilnadu , Karnataka and Kerala the production of agriculture produce was badly affected thereby severely effecting the procurement of the same in the third and fourth quarter of financial year 2014-2015. Traditionally the Company's agro division used to support farmers during the unfavorable climatic conditions thereby ensuring the supply chain of procurement. But due to liquidity constrains the Company could not support the farmers resulting in lower quantities of supplies.

The Company Floriculture unit is almost 17 years old and as such Company has undertaken major replacement of top soil in its 23 acres farm and replanting of plants which also involve substantial non-revenue expenditure.

The Board has taken note and reviewed of all the expenditure incurred on Bophirima division for its R & D activities and overheads incurred during the last 5 to years, and the amount spent on capital expenditure for Phase II expansion from the internal generations of agri division. This is in addition to the interest and installments paid to Punjab National Bank for the term loan taken on Pase I.

All these factors affected the financial liquidity of the Company and resulted in working capital scarcity

Contd.....3

POCHIRAJU INDUSTRIES LIMITED Satyamangalam T.N.

P. Sridharan

5. The Board has decided to call 20th Annual General Body Meeting of the company on 24th September, 2015 at its registered office of the company and instructed the Managing Director to initiate the necessary action regarding this .

This is for your kind information and records.

With best regards,

Thanking you

Yours Sincerely,

For POCHIRAJU INDUSTRIES LIMITED

POCHIRAJU INDUSTRIES LIMITED Satyamangalam T.N.

P.SUDHAKAR
MANAGING DIRECTOR

Cc to : The Bombay Stock Exchange Limited.

Encl: 1. Unaudited Results for the quarter 30th June, 2015.
2. Limited Audit Review Report