



CORPORATE INFORMATION

BOARD OF DIRECTORS	Sri P Sudhakar	Managing Director
	Sri Dr. A Ramaiah	Director
	Sri BV Ramana Reddy	Director
	Sri Dr. K S R Siva Sai	Director
	Sri Dr. S S N Murthy	Director
	Smt. P B T Sundari	Director
	Smt. P Sailaja	Director
REGISTERED OFFICE	1 / 102, Sathyamangalam Village, Thumanapalli Post -635 105, Hosur Taluk, Krishnagiri Dist, Tamil Nadu, PIN – 635 105.	
CORPORATE OFFICE	130, Amarjyoti Layout, Off Intermediate Ring Road, Domalur, Bengaluru – 560 071, Karnataka.	
ADMINISTRATIVE OFFICE	202, SGC's Suresh Arcade, Opp. Nature Cure Hospital, Dharam Karam Road, Ameerpet, Hyderabad – 500 016.	
BANKERS	Oriental Bank of Commerce, Ameerpet Branch, Greenlands, Begumpet, My Home Jupally, Hyderabad – 500 016.	
	Oriental bank of Commerce, Hosur Branch, Hosur – 635 109, Tamil Nadu.	
	Punjab National Bank, Bank Street Branch, Hyderabad-500001	
	Allahabad Bank, Himayatnagar Branch, Hyderabad.	
AUDITORS	B Rama Rao & Co., Chartered Accountants, Flat No.7, Block No. 6, MIG 2 baghlingampalli, Hyderabad – 500 004.	
REGISTRARS AND SHARE TRANSFER AGENT	Aarthi Consultants Pvt. Ltd 1-2-285, Domalguda, Hyderabad - 500 029 www.aarthiconsultants.com	
LISTED AT	Bombay Stock Exchange National Stock Exchange Limited	
COMPLIANCE OFFICER	Sri. P Sudhakar 202, SGC's Suresh Arcade, Opp. Nature Cure Hospital, Dharam Karam Road, Ameerpet, Hyderabad – 500 016.	



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NOTICE TO MEMBERS

Notice is hereby given that the Sixteenth ANNUAL GENERAL MEETING of POCHIRAJU INDUSTRIES LIMITED will be held at Company's registered office situated at 1/102, Satyamangalam Village, Hosur Taluk, Krishnagiri Dist, Tamil Nadu – 635 105, on September 29th, 2011 at 11:30 A. M. to transact the following businesses:

ORDINARY BUSINESS:

1. Receive, consider and adopt the audited balance sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. Appoint a director in place of P. Sudhakar, who retires by rotation and being eligible, offers himself for reappointment.
3. Appoint a director in place of B. V. Ramana Reddy, who retires by rotation and being eligible, offers herself for reappointment.
4. To appoint Auditors in the place of B.Rama Rao & Co, whose term is ending at this Annual General Meeting and due to professional pre occupations expressed their inability to continue as the auditors of the company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration and to pass the following resolution as an ordinary resolution

“RESOLVED that M/s. M. M. REDDY & CO Chartered Accountants be and are hereby appointed as Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at remuneration to be decided by the Audit Committee of the Board in consultation with the Auditors.

Regd. Office :

1/202, Sathyamangalam Village Bagalur –
Berigai Road, Thummanapalli Post,
Hosur Taluk, Krishnagiri Dist. T.N. – 635 105.

Place: Hyderabad

Date: 22.08.2011

By order of the Board
Pochiraju Industries Limited

Sd/-
P Sudhakar
Managing Director



Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote on a poll instead of himself / herself and the Proxy need not be a member of the Company.
2. Proxies, in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from 23rd September to 29th September, 2011 (Both days inclusive).
4. Members are requested to notify immediately any change in their address to the Share Transfer Agents and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
5. Members, who hold shares in de-materialized form, are requested to bring their Client ID and DP IDs for easier identification of attendance at the meeting.
6. Members are requested to kindly bring their copies of the Annual Report to the meeting. As a measure of economy, copies of Annual Report will not be distributed at the AGM.



DIRECTORS' REPORT

Dear Shareholders,

Yours Directors have pleasure in placing before you the Sixteenth Annual Report on the working and progress of the Company along with audited accounts of the company for the financial year ended 31st March, 2011 and the report of the auditors thereon.

FINANCIAL RESULTS

Key aspects of the company's financial performance for the year 2010-11 are tabulated below: (Rs. in lakhs)

Particulars	2010-11	2009-10
Gross Revenue	5543.94	4333.54
Total Expenditure	4304.72	3237.55
Profit before Depreciation and taxation	1380.19	1285.95
Depreciation	172.92	138.90
Profit/(Loss) before tax(PBT)	1207.27	1147.05
Less: Provision for Current tax	35.06	21.95
Profit/(Loss) after tax	1172.21	1125.10
Prior Period Items	-	-
Profit / (Loss) after Prior Period Items	1172.21	1125.10
Profit Brought Forward from previous year	4460.14	3335.04
Net Profit / (Loss) carried to Balance Sheet	5632.35	4460.14

OPERATIONS

The Company has recorded a turnover of Rs.5543.94 lacs in the current year. The Company earned a Net profit of Rs.1172.21 lacs after depreciation and taxes. The amount of Net profit available for appropriation after adjustments for prior period items is Rs.

1172.21 lacs and the same is carried to balance sheet. The operations during the year ended on 31st March, 2011 were encouraging. In spite of global recession your company achieved decent results. The company has been continuously working on quality up gradation and cost reduction plans.

PUBLIC DEPOSITS

Your Company has not accepted any deposits falling within the meaning of Sec-58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

LISTING

The equity shares of your company are listed on The Bombay Stock Exchange Limited and National Stock Exchange Limited



MANAGEMENT AND DISCUSSION ANALYSIS

The management discussion and analysis of the financial condition and results of operations of the company for the period under review as required under clause 49 of the listing agreement of the stock exchange, is given as a separate statement forming part of this Annual report.

BUSINESS INNOVATION, EXPANSION AND DIVERSIFICATION

Your company has completed the construction of all the Blocks of its Bio pharma Unit at Shameerpet, Hyderabad. Your management is happy to inform you that the units' R & D block, Administrative Block and Canteen Block along with the required necessary support services are fully operational. Plant and Machinery and equipment for the production blocks are being installed and the management is contemplating to complete the validation of the facility, plant and machinery by the end of this financial year.

The company's agriculture and f & v divisions are having regular operations with steady growth. Presently the company apart from growing its own flowers in the green houses also procuring many varieties of flowers from different farmers all over the country and also procurement for its f & v division is being done directly from farmers and also on contract farming basis. Taking into consideration the growth potential of this segment both in domestic and overseas and the relative location and costs advantages your company is contemplating to setup its production basis in African countries such as Kenya, Ethiopia, Ghana, Tanzania etc and also identified large areas of lands for acquisition during the coming financial year.

BANKS AND FINANCIAL INSTITUTIONS

Presently our Bankers are Oriental Bank of Commerce for our Agriculture division and Punjab National Bank for our Biopharma Unit at Shameerpet. We have been dealing with OBC since 1998 and PNB since 2010. We have very good business relationship with our bankers and the bank has been supporting us throughout our business growth plans.

CHANGES IN THE BOARD OF DIRECTORS

In accordance with the Companies Act, 1956 read with Articles of Association of the company the Directors, Sri. P.Sudhakar and Sri. B.V. Ramana Reddy retire by rotation and are eligible for reappointment.

Your Board recommends the re-appointment of the above Directors in the best interest of the company. Smt. P.B.T. Sundari director and mother of promoter director Sri. P.Sudhakar has passed away on 10th February, 2011 due to old age. Other than these there are no changes in the Board of Directors.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sec.217 (2AA) of the Companies Act, 1956 the Board of Directors of your Company hereby certifies and confirms that:

- i. In the preparation of the Annual Accounts, the applicable accounting standards have



been followed along with proper explanation relating to material departures;

- ii. We have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss account of the company for that period;
- iii. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. We have prepared the Annual accounts on a going concern basis.

PERSONNEL

As required under the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975, as amended, the names and other particulars of employee(s) are set out in the annexure of this report.

AUDITORS

M/s. B Rama Rao & Co., Chartered Accountants, Hyderabad, retires at the conclusion of ensuing Annual General Meeting and expressed their inability to continue as auditors of the company due to their professional pre occupations and compulsions. The Board recommends for the appointment of M/S M. M. Reddy & Co Chartered Accountants, Hyderabad as auditors of the company.

CORPORATE GOVERNANCE

As a listed company, necessary measures have been taken to comply with the Listing Agreement of Stock Exchanges. A report on Corporate Governance, along with a certificate of compliance from the Auditors, forms part of this Report as an Annexure.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, financial institutions and other business constituents for their consistent support to the Company. The Directors also wish to place on record their appreciation of the hard work, dedication and commitment of the employees. The enthusiasm and unstinting efforts of the employees has enabled the Company to achieve sustained growth in the operational performance during the year under review.

For and on behalf of the Board
Pochiraju Industries Limited

Sd/-

P Sudhakar
Managing Director

Place: Satyamangalam

Date: 22.08.2011



Annexure – I

a) Information under section 217(1)(e) of the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 and forming part of Directors Report.

FORM A

A) Power and Fuel Consumption

	<u>Current Year</u>	<u>Previous Year</u>
1) Electricity		
a) Purchases Units	309230	274670
Total Amount (Rs)	1493585	1268976
Average Rate/Unit (Rs)	4.83	4.62
b) Own Generation		
Through Diesel Generators (Units)	164225	146619
Unit per liter of Diesel Oil (Nos)	8.13	8.26
Cost/Unit (Rs)	5.10	4.63

B) Consumption per unit of production Standards

Electricity	0.25	0.28
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C) Foreign Exchange Earnings and out go	(Rs in Lakhs)	(Rs in Lakhs)
i) Foreign Exchange earned (Rs.)	-	-
ii) Foreign Exchange used (Rs)		
1. Raw Materials	-	-
2. Machinery	-	-
iii) Foreign Travel (Rs)	12.75	7.56
Commission/Import duty/handling charges		

D) FORM - B

Form for disclosure of particulars with respect to absorption

1) Research and development	620.83	384.93
2) Technology absorption, adaptation and innovation		
3) Foreign Exchange earnings and outgo		
Earnings (Rs in lakhs)	-	-
Outgo (Rs in lakhs)	12.75	7.56



ANNEXURE TO THE DIRECTORS' REPORT

- a) Information as per section 217(2A) of the companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, and forming part of the Directors' Report for the year March 31, 2011.

Employed for part of the year with an average salary
above Rs.2 Lakh per month. NIL



MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis of Financial Condition and Results of Operation.

Your company is engaged in three core businesses viz. Agriculture, Pharmaceuticals and Bio Pharma.

I. Segment / Product Wise developments and Performance:

The agriculture operations of the company carried on under its agri division AGROPIL consists of apart from growing flowers in company's green houses also involve procurement of flowers fruits and vegetables directly from farmers and contract farming. These operations have continuous growth and are having potential growth opportunities.

The Pharma division namely PHARMAPIL is operating in range of pharmaceutical Formulations on a National Level through aggressive, dynamic and committed field force by outsourcing its formulations from different manufacturers under loan license agreement. The company is presently rationalizing its product range to rebrand and reposition the same in the domestic and export markets. The management of the company is also restructuring its entire marketing team. As such the operations of this division is presently slowed down. The company's bulk drug unit proposed at Nadikudi which is located at the boarder of Nalgoda district and Guntur district. Due to the recent regional disturbances and also due to the necessity and lack of a common effluent treatment plant at Nadikudi Industrial Estate the management of the company considering the relocation of the unit and identifying suitable location either in A.P.or Karnataka.

The company's state of the art multi product Biopharma Unit coming up at Turkapally village, Shameerpet Mandal, near Hyderabad to manufacture bio similars, therapeutic proteins, and vaccines is nearing completion and the company is contemplating to complete the validation process of the facility by end of March, 2012.

Products:

The Biotech division is focusing on the development of polysaccharide-protein conjugated vaccines for Typhoid, Haemophilus Influenza-B and Pneumococcal diseases. Efforts are under way to outsource bench scale technologies for therapeutic proteins and Monoclonal antibodies Identification of Bulk API suppliers for biopharmaceutical manufacturing is under progress.

Manpower:

The company has recruited a senior Vice President to head the technical operations of the division. Full time Civil functional Engineers with more than 10 years in the relevant fields are employed for building biotech facilities.

An engineering head with more than 10 years of experience in Bio-Pharma manufacturing is