Welcome to PRAJ Industries Ltd

Investor Presentation, June 2012

Disclaimer

PRAJ

Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in our industry of operations including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, cost overruns on contracts, client concentration, our ability to manage our international operations, our ability to successfully complete and integrate potential acquisitions, liability for damages on our contracts, the success of the companies in which Praj Industries Ltd. has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry.

Praj Industries Ltd. may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.

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Corporate Overview

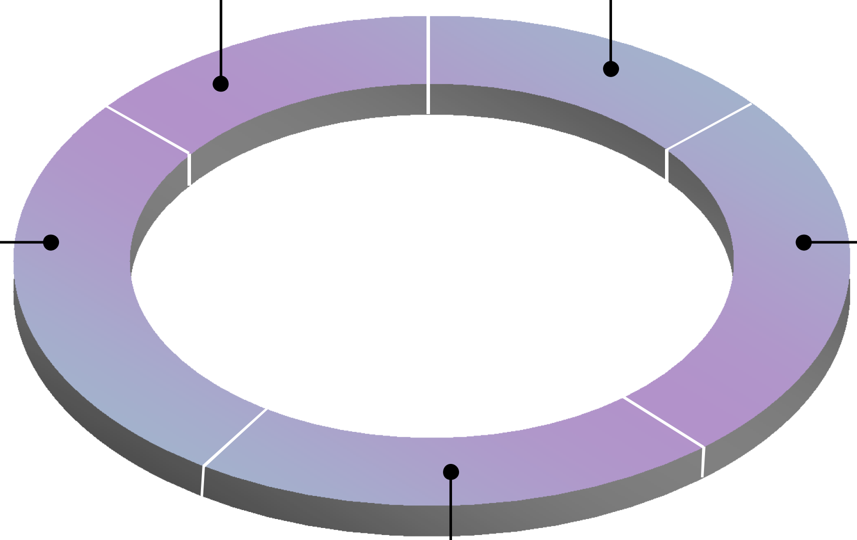
Who We Are

Technology backed solutions

A knowledge based company

References across five continents

A global Indian company



End-to-end solution provider

Expertise and experience in process and integration engineering

A Customer centric company

Customized solutions

A socially responsible corporate citizen

Strong focus on sustainable development

Key Highlights

- Praj has been creating innovative technology platforms to make biofuels a sustainable and attractive choice for all stakeholders for the past 25 years
- Established in 1984 by first generation technopreneur , Pramod Chaudhari (Executive Chairman)
- One of the first companies to avail Venture Capital Funding through ICICI
- Over 500 references Worldwide Largest resource base for ethanol industry
- Strong Balance Sheet – Zero Debt
- Global Presence – marquee customers and key partnerships
- Significant domestic and global market share
- Strong track record of shareholder value creation
- **Developing a Commercial demo plant for cellulosic biomass to ethanol production**

Key Highlights

Financials

Figures in Rs million

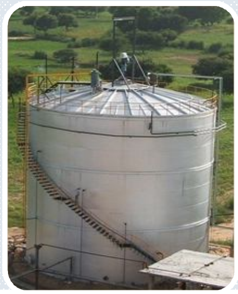
	FY 2009-10	FY 2010-11	FY 2011-12	FY 13-Q1
Gross revenue	6022.2	5529.3	8804.4	1639.3
EBITDA	914.6	487.5	834.2	112.9
PAT	1138.9	534.7	658.2	120.6
Net worth	5323	5589.5	5507.7	354.9
Cash reserves	4032	4020	4000	2300*

* Post acquisition of Neela and Share-buyback

What We Do

Alcohol / Fuel Ethanol Plants

Brewery Plants



Water and Wastewater Treatment

Bionutrients

Critical Process Equipment & Systems

Agri Services

Praj ,with experience in process engineering, has the capability to provide technology, basic and detailed engineering, key equipments and whole turnkey plants in the ethanol, brewery and water and waste water treatment areas.

Our Vision

We aspire to be
the most preferred organization for all stakeholders
through
environment friendly, sustainable solutions
that can make the world a better place

Our Mission

PRAJ

We will — Develop and deliver cost-effective, safe, clean and reliable solutions that will maximize prosperity of our customer

We will — Invest and partner in development and realization of new ideas recognizing the risks and working to mitigate them

We will — Be a socially responsible corporate citizen

We will — Create wealth for our stakeholders

Milestones

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1984-90	1991-95	1996-2000	2001-05	2006-12
◆ Established in 1984 ◆ One of the first Companies to avail Venture Capital Funding through ICICI ◆ Set up an R&D Center dedicated to ethanol production process	◆ Launch of IPO ◆ Forays into synergistic fields like brewery engineering ◆ Patented self cleaning FLUBEX evaporator for concentration of distillery spentwash	◆ Praj manufacturing facility awarded the ◆ ASME U & H stamps ◆ Energy saving multipressure distillation systems, introduced by Praj, become an industry standard in India	◆ Launch of PRAJ-Matrix The Innovation Center for advanced applied research ◆ Launch of multi-feed & multi-product ethanol technology for round the year distillery operation	◆ Marquee venture capitalist invest in Praj ◆ Forays into customized equipment manufacturing & water & waste-water treatment businesses ◆ In house R&D program for second gen biofuels ◆ Acquires majority stake in Neela Systems, a high purity water solutions provider

Praj is building the largest fuel ethanol plant in the European continent for Vivergo Fuels, UK (A JV of BP, Dupont and AB Foods). Praj also fulfills 100% of the Colombian Ethanol Blending Program with the help of five fuel ethanol plants.

Our Resources

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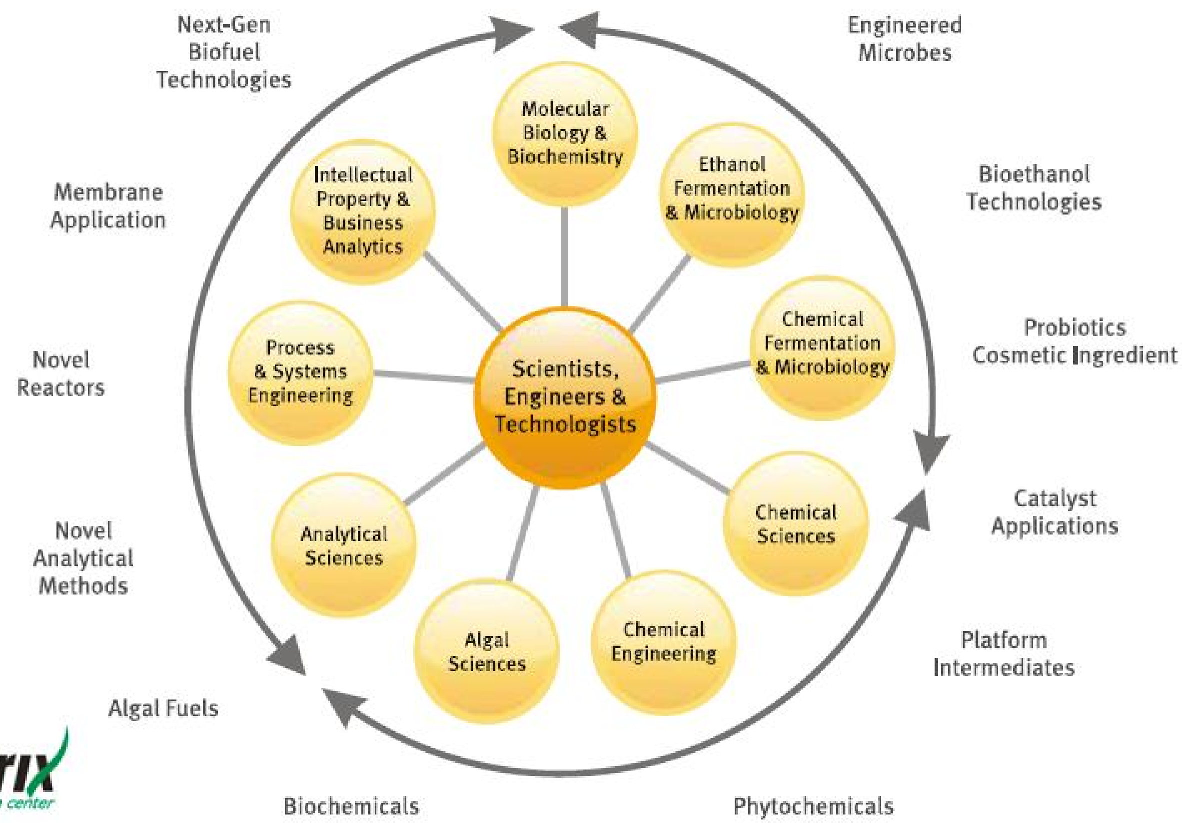
Praj Matrix : The Innovation Centre



PRAJ | Matrix the innovation center

Certified as In-House R&D laboratory unit by Department of Scientific and Industrial Research, GOI
Employs highly qualified PhDs, scientists, microbiologists and molecular biologists

Our Resources

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Manufacturing Facilities

Pune

Caters to domestic market

Fabrication capacity 6000 MT/year

Kandla

Special Economic Zone : Units 1 & 2

SEZ Unit 2 dedicated to customized equipments mfg

Fabrication capacity 2500 MT/year (each unit)

Jejuri

Bioconsumables Additives for ethanol industry

Praj manufacturing facilities can produce process equipments suited to the needs of various industries viz. **oil and gas, petrochemicals, pharmaceuticals, dairy** etc.
Codes and standards: ASME, TEMA, B5500, PED, DIN, IS2825, Ad Merkblatter
Capability to handles numerous metals : Austenitic Steels, Carbon Steel, Titanium, Hastelloy, Nickel, Monel 400, Incoloy

Key Partnerships and Customers

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Partners

novozymes
Rethink Tomorrow

FILTROX

MEURA

HOLVRIEKA

Customers

DANISCO
First you add knowledge...

Ingenio Mayagüez

AEBIOFUELS

SUGAR ILLOVO LIMITED

UB GROUP

CropEnergies
bio. wanze

ABSugar

ThaiBev

sucrogen
Formerly CSR

SAB MILLER

bajaj hindusthan ltd.

imagination at work
India

ADDAX PETROLEUM
A Sinopec group company

Radico
RADICO KHAITAN LTD.

Seagram's

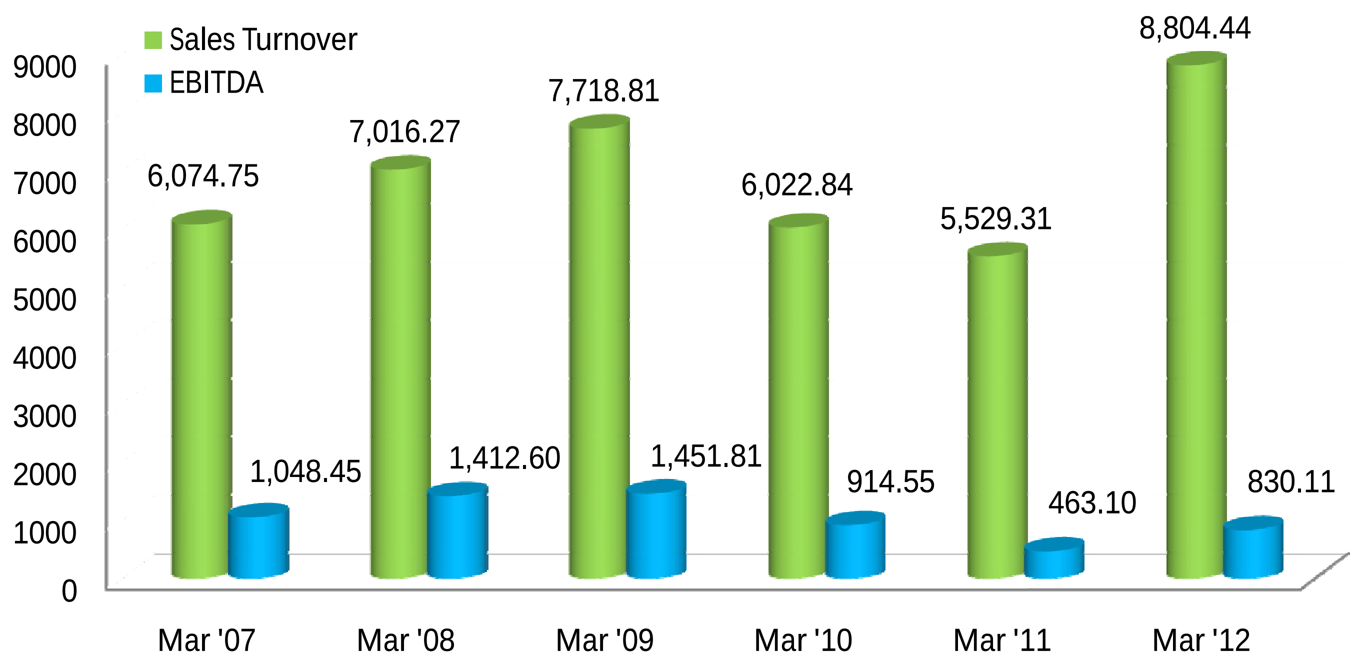
vivergofuels

INCAUCA S.A. ESP

Our Presence

Financials

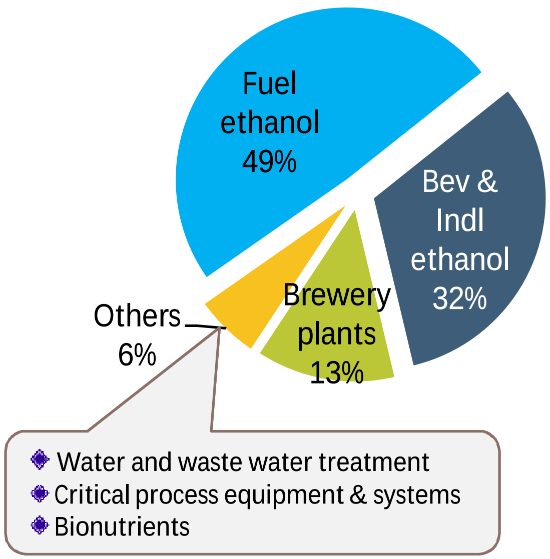
Values in Rs million



Despite global economic slowdown,
Praj's brand equity as well as market share remained
very strong and we are in a position to leverage the same as the economy unwinds.

Business Mix

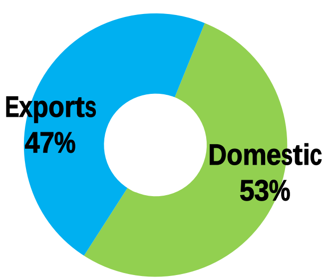
Revenue contribution by various business lines FY12



YoY Revenue Contribution %

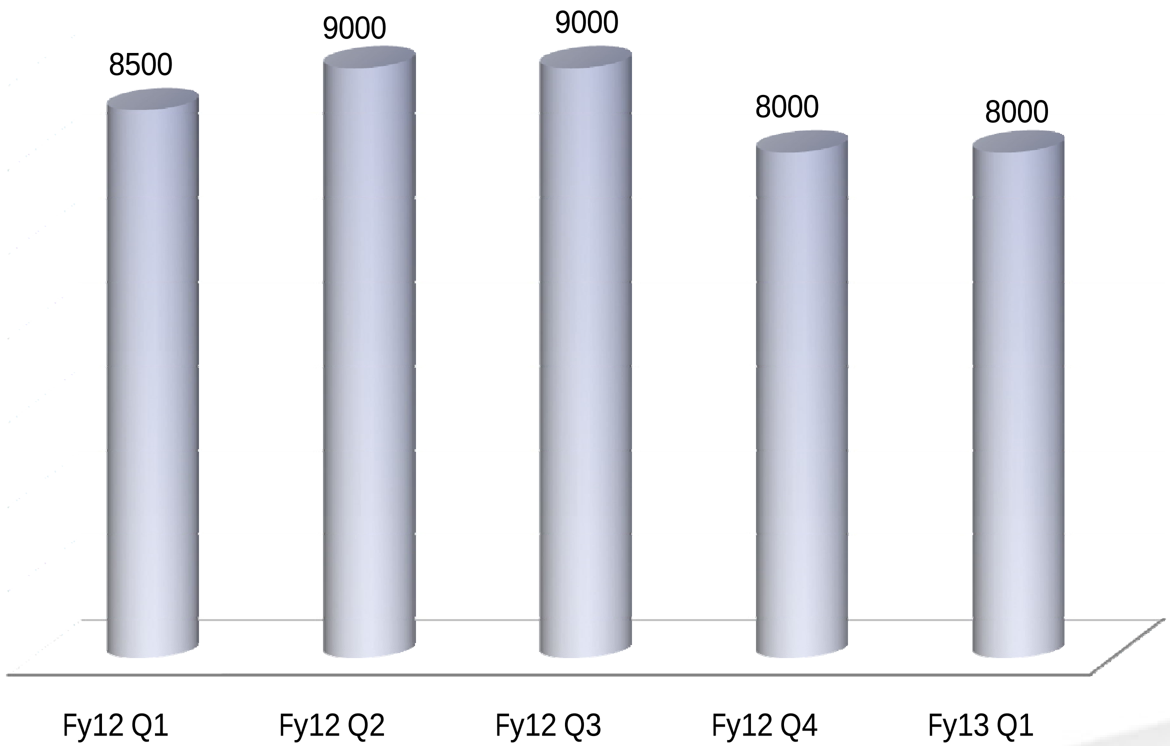
Revenue stream	FY 07	FY 08	FY 09	FY 10	FY 11
Fuel and industrial ethanol plants	42	23	40	38	35
Beverage ethanol plants	46	62	45	50	55
Brewery plants	9	12	13	9	8
Others	3	3	2	3	2

Revenue by Geography Fy 12



Order Backlog

End of each quarter : Values in Rs million



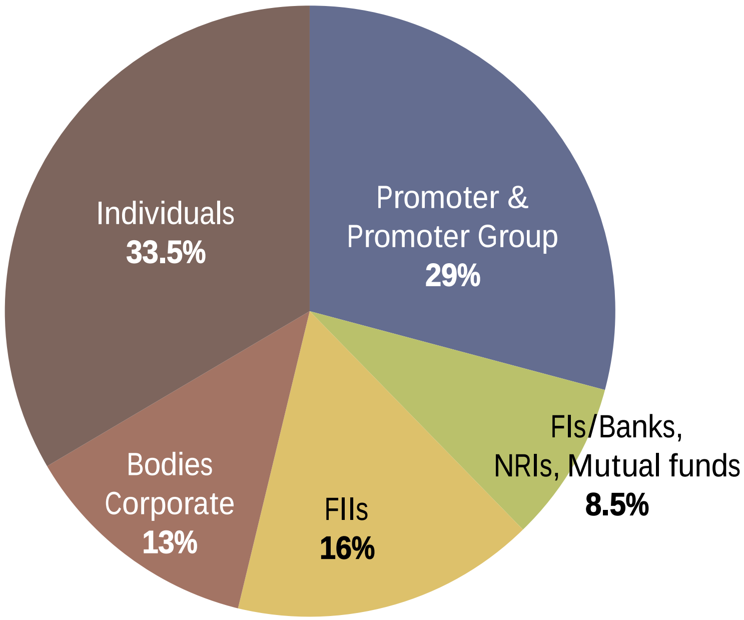
Financial Ratios

Ratio	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Earnings per share (Rs)	8.55	7.08	6.18	2.89	3.58
Current ratio	0.94	1.15	1.21	1.38	1.2
Return on capital employed (%)	67	39	24	11	20
Asset turnover ratio (fixed asset +CWIP)	9.27	6.10	4.14	3.64	5.14

Note: As of Mar 2012
Bombay Stock Exchange (BSE) Code: 522205
National Stock Exchange (NSE) Code: PRAJIND
Bloomberg Code : PRJ:IN

Praj is a zero debt company
AA/Stable rating by CRISIL on long term bank loan and cash credit facilities
A1+ rating by CRISIL on letter of credit and bank guarantee facilities

Shareholding Pattern



Note: As of June 2012

Vinod Khosla, former Sun Micro Systems co-founder turned venture capitalist has a stake in Praj Industries Ltd.

In his own words during his visit to PRAJ Matrix :

"At the Lab Level Praj Matrix ranks up there with almost any facility in the world.
What is unique is the Labs, Pilot and the Scale up facilities are all at one location."

Dividend History

Financial year	Dividend %
2006-2007	135%
2007-2008	99%
2008-2009	90%
2009-2010	72%
2010-2011	63%
2011-12	81%

Since the beginning of the past decade, Praj has made smart returns on shareholder funds, on an average of 60% and grown shareholder value substantially.

Our Subsidiaries

- Pacecon Engineering Projects Ltd. (PEPL)
- BioCnergy Europa B. V., Netherlands
- Praj Jaragua Bioenergia S.A., Brazil
- Praj Far East Co. Ltd., Thailand
- Praj Industries (Africa) Pty Ltd, Johannesburg
- Praj Americas Inc., Houston

Today, Praj has over 500 references in more than 50 countries across 5 continents with its own offices in Bangkok (Thailand), Johannesburg (South Africa) and Sharjah (UAE) apart from India.
Praj is also present in the USA, the Netherlands, Brazil, Colombia and Guatemala.

Industry Overview

Global Ethanol Business

Drinking is just one of the multiple applications of ethanol!
Out of the world's total ethanol production, around 80% is used for fuel purpose.

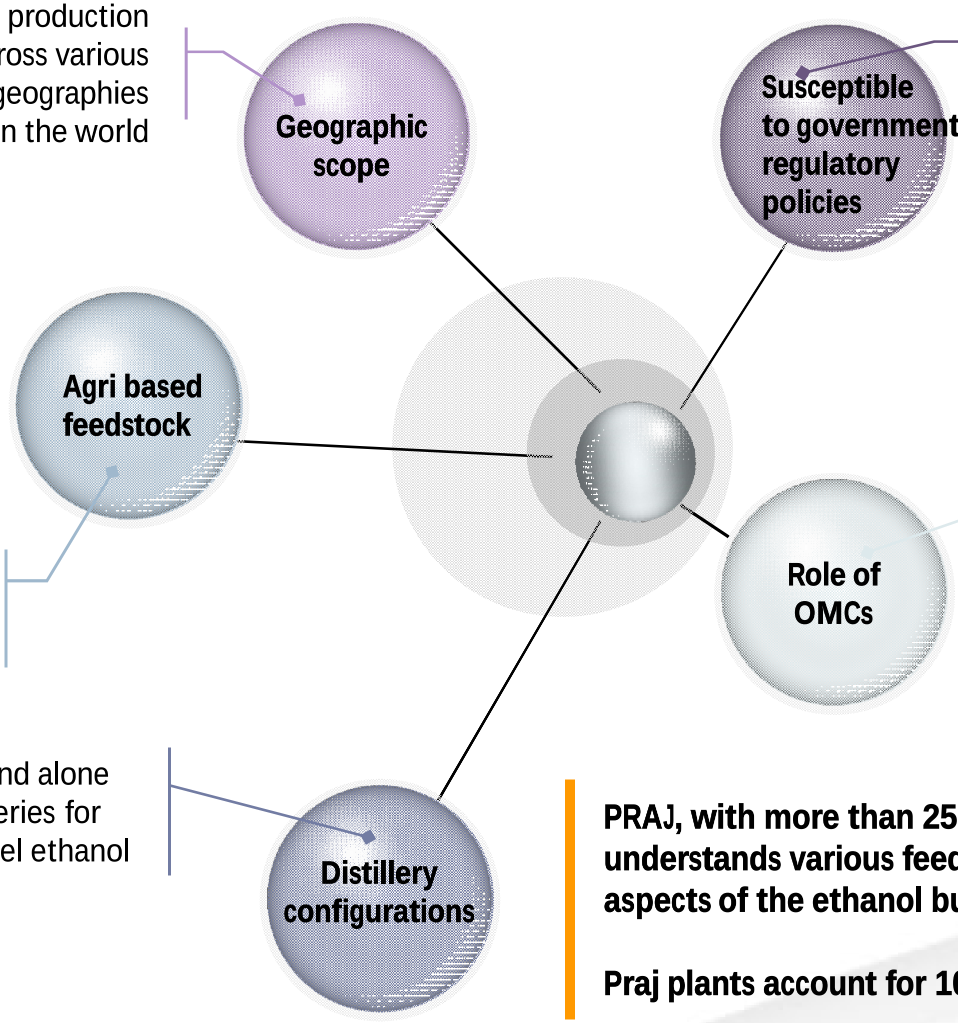
Fuel ethanol

Potable ethanol

Industrial ethanol

Praj **: A one stop shop to produce any grade of ethanol, from a variety of feedstock and a range of plant capacities.**

Ethanol Industry Structure



PRAJ, with more than 25 years of experience in the industry, understands various feedstock, sizes, technical and economic aspects of the ethanol business and has a proven track record.

Praj plants account for 10% of the world's ethanol production.

Ethanol Growth by Region

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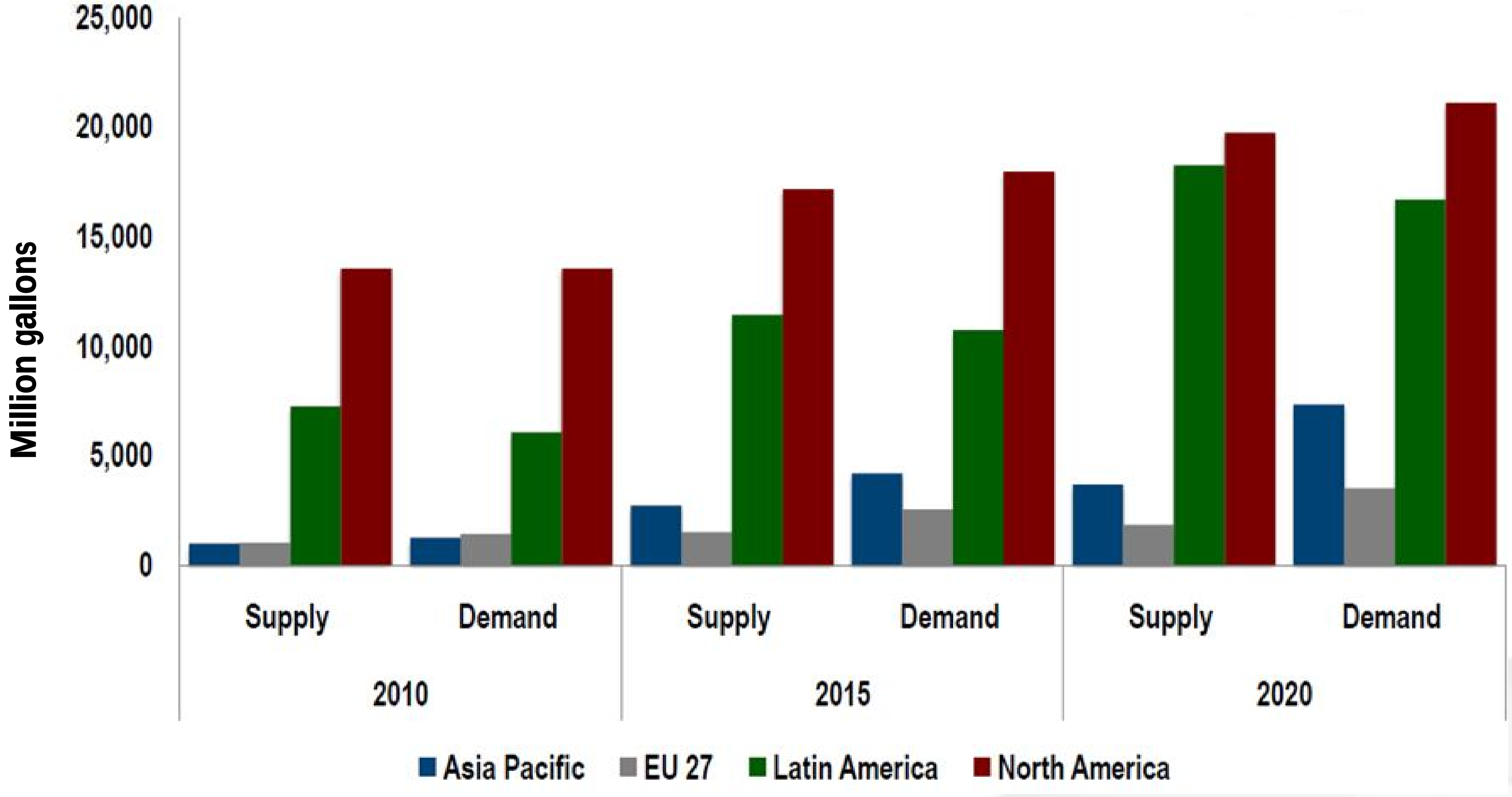
Ethanol blending programs are getting implemented all over the world.
Asia pacific will emerge as a major consumer whereas Lat AM as a major supplier.



What Drives Ethanol Business

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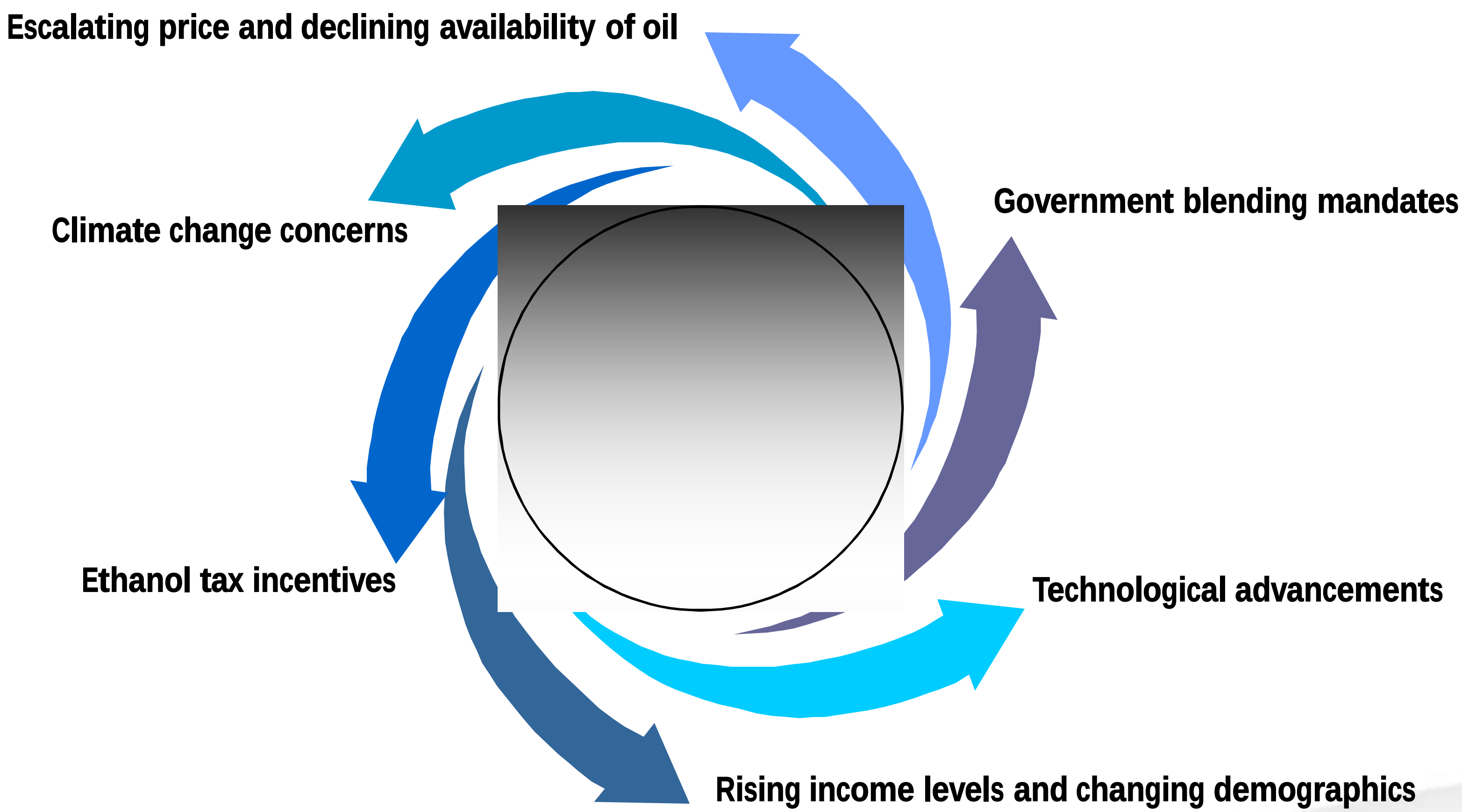

Biofuels are gaining traction and saw a 40% growth rate in the fiscal year 2011. Financing for renewable has also been on an uptick, particularly in the area of second generation and renewable chemicals.

Brewery Business

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Indian beer industry growing
at a rate of 15% per annum!
Praj plans to internationalize this business in which it enjoys 70% share in the domestic market.

Globally, beer is seen as a "common man's" drink,
World per capita consumption is 22 ltr

India

Restricted movement
Export and import licenses required for movement across states

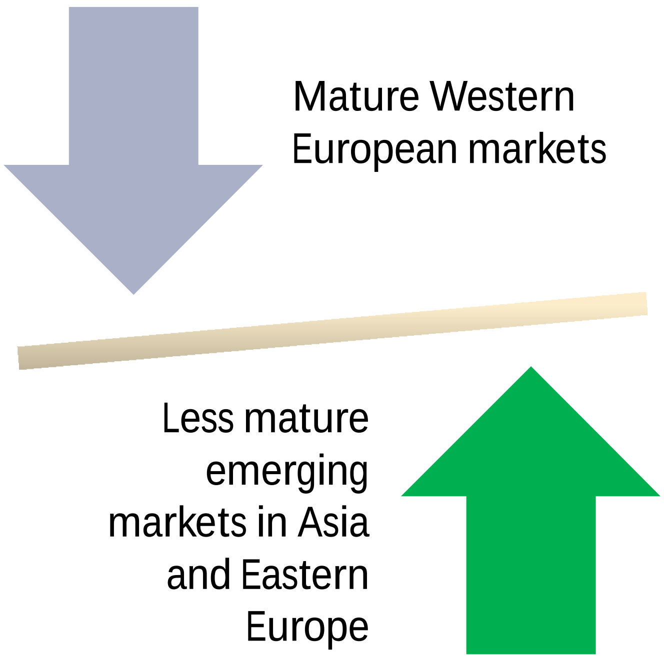
India

Highly taxed alcoholic beverage

India

Highly regulated alcoholic beverage
26 different alcohol specific taxes

What Drives Brewery Business



- Growing disposable income
- Improvements in the quality of beer
- A steadily growing beer-consuming population base
- Marketing and advertising activities by beer producing companies
- Tax and duties
- Perceived health effects

Praj integrates the tradition of malted barley, hops and water with Science.
Supply of brewery plants having world-class manufacturing capability to achieve excellent and consistent product quality at lower cost with environment friendly technology shows our sound equipment design capabilities and experience.

Water and Waste Water Business

Water scarcity

Environment protection concerns

Challenges in manufacturing processes in various industries and pressure on municipal services

Praj offers solutions to various industries viz.

Sugar
Dairy
Chemical
Pharmaceutical
Power
Fertilizer
Food processing
Metal

to treat, reuse and recycle wastewater effectively.

What Drives Water Business

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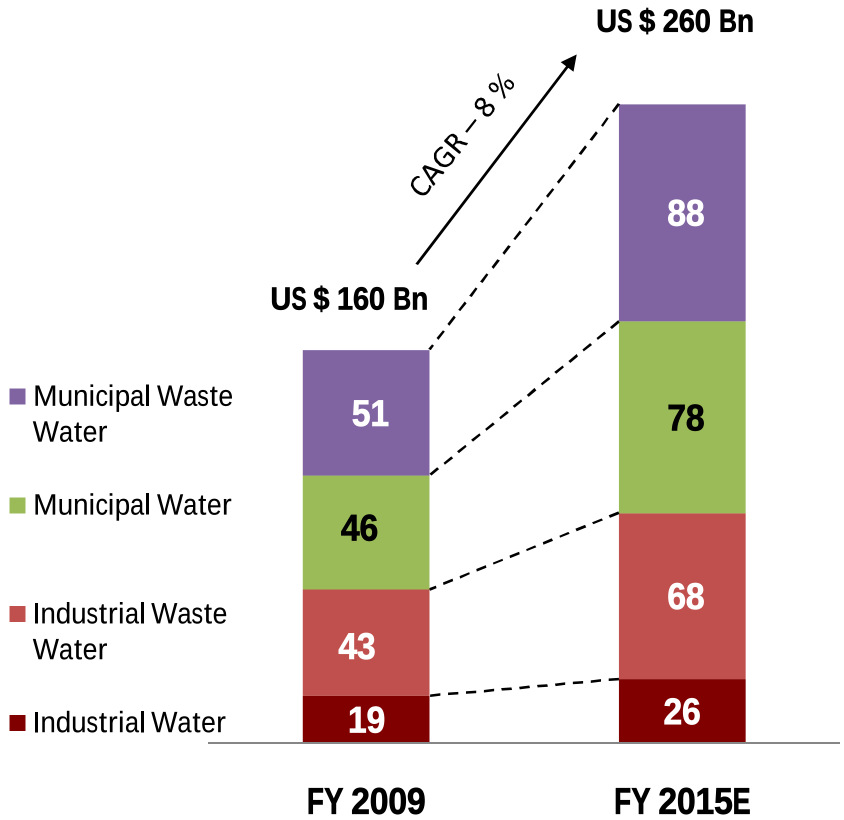

Source: Praj's internal study

Global Business Drivers

- Increasing Water Stress
- Increasing Industrialization
- Increasing Urbanization
- Stringent environmental norms
- Technological advancements
- Replacement of old technologies

With a wide experience on treatment of most challenging wastewater and water related applications in the distillery and brewery industry, entry into water and wastewater arena came easily to Praj.

Recent Developments

Acquisition of Neela Systems

- Majority stake 50.2%
- Transaction value : Rs 640 million
- Business interest in water treatment and modular process systems for the Biotech, Pharma, Life Sciences and Cosmetics
- A leader in high purity water segment
- Turnover of Rs 937 million for FY 2011-12
- A state-of-the-art manufacturing facility at Wada, Thane to build US FDA, UKMCA and WHO compliant system

Rationale & Value Creation

Xeela

High quality water systems and related equipments

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Experience with complex and challenging effluents in various industries

This acquisition will provide Praj with a deeper and wider penetration into the fast-growing pharmaceutical, biopharmaceutical, food & beverage as well as the cosmetics industry to become a *"one stop shop"* for water management of our clients.

Our Strategy and the Society

A Responsible Corporate Citizen

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- Environment
- Health
- Education
- Underprivileged
- Art
- Employee Initiatives

Way ahead

Strategic Direction

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Knowledge and Skills

Biotechnology based new products

Second generation biofuels

Existing Businesses

Ethanol : End-to-end

Brewery : End-to-end

Water and waste water treatment

Customized engineering and manufacturing

Biochemical additives

Convergent Businesses

Engineering Solutions related to Environment, Energy,

Agri-Processing

Synergistic Businesses

Related businesses in food, Pharma, biotech Sectors

CPE (small EPC)

Unit Processes

Our Plans for the Future

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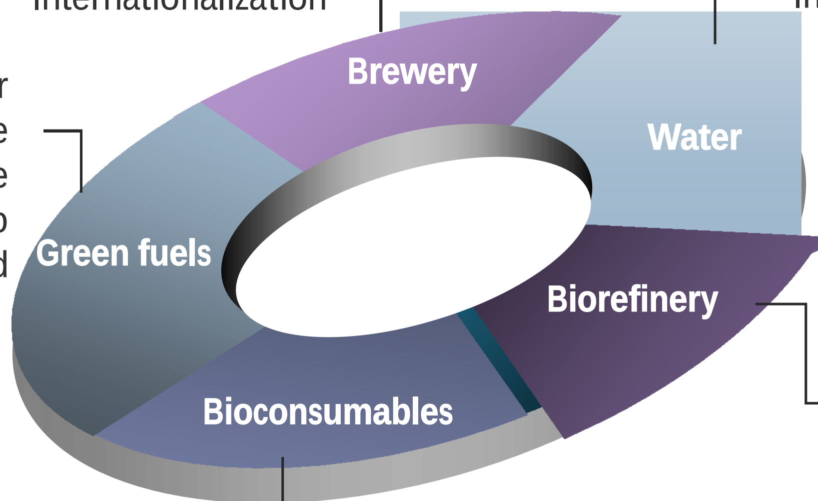
Pursue Internationalization

Push up for scale and Internationalization

Cutting edge solution for second gen ethanol in the near future
Commercial Scale Demo Plant Announced



Food, Feed and Wellness ingredients, Energy and Biochemicals

A promising area for ethanol additives
Dedicated Mfg facility

Non ethanol businesses	Geographic scope	Brand equity
To contribute more than 30% to the revenues by 2013	References in 60 countries and offices in 7 countries	A company with the unique ability to blend technology and execution A significant player in the cleantech space

Vision 2020

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	2010	2015	2020
Cleantech	Fuel ethanol Water & wastewater technology	Second gen fuel ethanol	Biorefinery
Biotech	Bioconsumables	Industrial biotech	Specialty chemicals
Synergistic Businesses	Customized engineering & manufacturing	Solutions for biopharma, F&B and life sciences sector	Biopower

Evaluating opportunities in Engineering led solutions for Energy, Environment and Agri-processing with a large global play.

Key Management Personnel

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Executive Directors

- **Pramod Chaudhari, Executive Chairman**
  - Engineering from Indian Institute of Technology, Bombay
  - Advanced Management Programme at Harvard Business School in 1995
  - Contribution to the National Biofuels Policy as a member of the Committee on Development of Biofuels Planning Commission, Government of India, for introduction of renewable fuels to India
  - The Co-Chairman, CII National Committee on Renewable Energy for 2012-13
  - The Vice-President, Maharatta Chamber of Commerce, Industries and Agriculture, Pune
  - Past Chairman of the Maharashtra State Council of CII (2009-10)
  - The member of Executive Council of Association of Biotechnology Led Enterprises (ABLE) in India
  - Recipient of 'Distinguished Alumnus Award' of IIT, Bombay in the Year 2005
  - Recipient of the Jagatik Marathi Chamber of Commerce 'National Level Entrepreneurship' Award in the Year 2004
  - Recipient of ‘Outstanding Contribution thru Innovation Award' of Chemtech Foundation

- **Gajanan Nabar, CEO & Managing Director**
  - Master’s degree in Organic Chemistry and Master in Management from Bombay University
  - Was conferred a diploma by Plastic and Rubber Institute, London
  - Has completed the Executive development program of Wharton Management School in the year 2000
  - Over 22 years of multi-functional management experience in Operations, Projects and Business development
  - Work experience with MNEs like Monsanto, Asian Paints and BASF and Praxair
  - An active member of the American Chamber of Commerce, CII and BCIC
  - A member of the Young Presidents Organization (YPO)

Board Members

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Non Executive Directors

Mr. Berjis Desai	Specializes in Financial & Securities Law, Structured Finance, Securitization , OTC Derivatives and arbitration counsel. On boards of several public limited companies, Managing Partner of M/s J. Sagar Associates
Mr. Kishor Chaukar	Managing Director of Tata Industries Limited A member of the Group Corporate Centre :Strategy formulation at the House of Tata Chairman of Tata Council for Community Initiatives a member of the Board of several national and international organizations in the Corporate Sustainability and Human Rights space including Shell Foundation
Mr. Prakash Kulkarni	Executive Chairman of Gabriel India, superannuated from Thermax Limited after a stint of 35 years, also serves on the Board of Sulzer India, vast experience in the capital goods industry
Mr. Rajiv Maliwal	Co-founder and Manging Director of Sabre Capital, Chairman of the Spring Healthcare Fund, a Sabre Capital initiative in the healthcare services industry and serves on the boards of several portfolio companies
Mr. Utpal Sheth	Cost Accountant (Grad CWA) and a Chartered Financial Analyst (CFA) from ICFAI, vast experience in Investment Management, Risk Management and Institutionalization. He is the CEO of Rare Enterprises.
Mr. Sivaramakrishnan S. Iyer	A qualified Chartered Accountant, a partner of Patel Rajeev Siva & Associates which specializes in corporate finance and advises companies on debt/equity fund raising, mergers/amalgamations, capital structuring for new/expansion projects and due diligence work for various companies.
Mrs. Parimal Chaudhari	A communication consultant and a journalist by training, steers the CSR wing of the company

Thank you..