

Dear Shareholders,

It gives me immense pleasure to connect with you!
Hope you had a wonderful Diwali celebration.

In the macro-context, key factors all across seem to be falling in place for sustained revival of economic momentum. In India, well-distributed monsoon and anticipated recovery from the impact of structural reforms have set the tone for a sustainable growth trend going forward. India's improved ranking in the Ease of Doing Business Index measured by the World Bank points at significant streamlining of procedural and regulatory hurdles. This is a highly encouraging start towards a broader agenda. We are sure that improved efficiencies and reduced implementation period for greenfield projects will help accelerate private capex investments within the country.

At Praj, standing true to our ethos of innovation and sustainability, year 2017 saw commissioning of our 2nd generation integrated smart biorefinery demonstration plant. Optimization studies are underway for a host of other 2nd generation feedstock and process conditions. The technology platform is being used to develop a hoard of renewable fuels and chemicals.



All the three projects for oil marketing companies where Praj is a technology partner have moved forward with preparation of detailed feasibility reports, land allocation and environmental clearance procedure.

The techno-socio-economic model of 2nd generation biorefinery projects is aimed at helping India's growth aspirations while mitigating the evils of climate change. It is a matter of pride that Praj is the frontrunner in India's energy revolution and journey toward energy self-reliance.

BioCNG systems and modernization of existing ethanol plants are other components of bioenergy business that we are excited about. With focused efforts, modernization segment is leading to improved enquiry basket and conversion. We have introduced innovative technologies to reduce consumption of utilities, improve yield and diversify product range in existing plants. BioCNG processed from ethanol plants is increasingly gaining acceptance as clean vehicular fuel.

At Praj HiPurity, we have made breakthrough in some key international markets. Modular process systems with an enhanced portfolio of offerings has registered a steady performance. Also as observed from reported numbers, rationalization and repositioning of engineering businesses is showing greater promise.

Operational excellence is another pillar of sustainability for Praj. The supply chain management team has done exceptional work in this regard. The green procurement initiative started in 2015 with 6 suppliers, is now extended to almost 100 suppliers with remarkable improvement in their operational efficiency, safety record and legal compliance. The team won two prestigious awards this year one from Indian Institute of Materials Management and another from Express Logistics and Supply Chain Conclave.

As a testimony to our commitment to society and environment, Praj Foundation has undertaken Sustainable Water Resources Development Projects in drought affected regions of Maharashtra state. The efforts have received the BT - CSR Excellence Awards 2017. The project comprises broadening, deepening and de-silting of water streams. The efforts have resulted into storage of 2580 mn liter water in 5 villages in Jalna district; sufficient for drinking, agriculture and animal husbandry. An area of 1830 acres in these villages has been brought under irrigation benefitting 770 families.

For H1 FY 2017-18, revenue stands at Rs 400.65 cr with PBT and PAT at Rs 6.35 cr and Rs 5.15 cr respectively. As of 30th Sept, 2017, order backlog is at Rs 755 cr and cash on hand stands at Rs 216 cr. We are hopeful of closing this fiscal with a robust performance. Further, our young leadership is getting ready with growth plans for the next 2-3 years.

I thank you for your continued support. Wish you and your loved ones a happy and prosperous new year!

Yours truly,

Pramod Chaudhari

Disclaimer:

Certain statements in this communication 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.

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EXTRACT OF STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2017

		(Rupees in crores except per share data)		
Sr. No.	Particulars	Quarter ended	Half Year ended	Quarter ended
		30 September 2017	30 September 2017	30 September 2016
		(Unaudited)	(Unaudited)	(Unaudited)
1	Total income from operations (Refer note 3)	207.87	400.65	205.79
2	Net profit for the period before tax	5.86	6.35	6.28
3	Net profit for the period after tax	4.74	5.15	3.04
4	Total comprehensive income for the period [comprising profit for the period (after tax) and other comprehensive income (after tax)]	4.70	4.98	2.01
5	Equity share capital	35.97	35.97	35.68
6	Earnings per share (of Rs. 2/- each)			
	1. Basic (not annualised)	0.27	0.29	0.17
	2. Diluted (not annualised)	0.27	0.29	0.17

Notes:

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 1 November 2017.
- The group operates only in one segment, i.e. "Process and Project Engineering".
- In accordance with the requirements of Indian Accounting Standard 18, revenue for the quarter ended 30 September 2017 is net of Goods and Services Tax (GST). Revenue for earlier periods, however, is inclusive of excise duty of Rs. 6.87 crores for half year ended 30 September 2017 and Rs. 9.12 crores for quarter ended 30 September 2016.
- The Standalone unaudited financial results for the quarter and half year ended on 30 September 2017 are summarized below:

Sr. No.	Particulars	Quarter ended	Half Year ended	Quarter ended
		30 September 2017	30 September 2017	30 September 2016
		(Unaudited)	(Unaudited)	(Unaudited)
a	Total income from operations (Refer note 5)	150.68	293.73	159.81
b	Net profit for the period after tax	1.72	1.80	9.63
c	Total comprehensive income for the period [comprising profit for the period (after tax) and other comprehensive income (after tax)]	1.63	1.66	9.02
d	Earnings per share (of Rs. 2/- each)			
	1. Basic (not annualised)	0.10	0.10	0.54
	2. Diluted (not annualised)	0.10	0.10	0.54

- In accordance with the requirements of Indian Accounting Standard 18, revenue for the quarter ended 30 September 2017 is net of Goods and Services Tax (GST). Revenue for earlier periods, however, is inclusive of excise duty of Rs. 5.00 crores for half year ended 30 September 2017 and Rs. 6.17 crores for quarter ended 30 September 2016.
- The above is an extract of the detailed format of Quarterly financial results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing obligations and Disclosures Requirements) Regulations, 2015 and SEBI circular no. CIR/CFD/FAC/62/2016 dated 5th July 2016. The full format of the quarterly financial results is available on the Stock Exchange websites at www.nseindia.com and www.bseindia.com and on the company's website at www.praj.net

Place : Pune
 Date : 1 November 2017

SACHIN RAOLE
 CFO AND DIRECTOR- F&C
 DIN: 00431438