

CORRIGENDUM TO THE PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF PRAJ INDUSTRIES LTD.

This Corrigendum to the Public Announcement dated 6th December, 2011 published on 7th December, 2011 ("PA") is being issued in connection with the Buy-back of Equity Shares from the open market through the electronic trading mechanism of the Stock Exchanges by Praj Industries Limited ("PRAJ"). This corrigendum should be read in conjunction with the Public Announcement. This Corrigendum is being made pursuant to the letter issued by the Securities and Exchange Board of India bearing reference number CFD/DCR2/HB/OW/38104/2011 dated 16th December, 2011. The capitalized terms and abbreviations used in this Corrigendum have the same meaning ascribed to them in the PA, unless otherwise specified.

The equity shareholders/beneficial owners of equity shares of PRAJ are requested to take note of the following changes made to the PA:

1. DATE OF COMMENCEMENT OF THE BUY BACK:

Under Clause 2 and wherever the context applies, the Date of Commencement of Buy Back should be read as 26th December, 2011. Except the Date of Commencement of Buy Back, there is no other change in the proposed timetable, as mentioned in Clause 2 of the PA.

2. PROCESS AND METHODOLOGY FOR BUYBACK PROGRAMME:

In Clause 6 following Disclosure be read in addition to the existing Disclosure as Clause 6.4:-

"We further clarify that, the Company shall place a "buy" order, at least once a week on both odd lot and normal segments of BSE and NSE to buyback equity shares through the Appointed Broker."

3. MANAGEMENT DISCUSSION AND ANALYSIS ON LIKELY IMPACT OF BUYBACK ON THE COMPANY:

In Clause 15, following Disclosure to be appended to the existing Clause 15.2:-

Promoters together with persons acting in concert held 46,620,000 shares as on April 1, 2011 representing 25.23% of shares outstanding in the Company entitling them to exercise 25.23 % of the voting rights in the Company which is less than the maximum permissible non-public shareholding. During the Financial Year 2011-12, till 3rd December, 2011 the Promoters together with Persons Acting in Concert acquired 1,080,000 shares, increasing their aggregate Share holding and Voting Rights to 25.81%.

Assuming, the Company is able to buyback Maximum Buyback Shares, the shareholding and voting rights of the Promoters and Persons Acting in Concert may increase from 25.81% to 26.71%, which is less than the 5% of the voting rights permitted under Regulation 3 (2) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 ("SAST Regulation"). Thus the Promoters together with the Persons Acting in Concert shall not trigger an open offer obligation, as per Regulation 3 (2) of SAST Regulation, pursuant to the Buyback.

4. THE MINIMUM AND MAXIMUM NUMBER OF EQUITY SHARES PROPOSED TO BE BOUGHT BACK, SOURCES OF FUNDS AND COST OF FINANCING:

In point no. 9, following disclosures to be appended after the existing clause 9.2 as clause 9.3:-

The Investments have been made out of Free Reserves of the company. The Company's total Investment and Cash Balance as on 31st March, 2011 of stood as follows:

Particulars	INR (in millions)
a) Long Term, trade, unquoted subsidiaries	124.380
b) Long Term, non- trade, quoted*	2,570.217
c) Current, non-trade, quoted*	17.850
Less: diminution in value of investments**	72.029
Balance Net investments	2640.418
Cash and Bank balances	1371.070
Aggregate of Cash & Bank balances and Investments	4011.488

* These investments are in mutual funds and bonds which are liquid in nature and are redeemable/saleable units/securities.

** This diminution in value of investment is towards a subsidiary of the Company and not due to non-trade investments as depicted in point "b" and "c" above.

All other information and terms of Buy back as disclosed in the PA remains unchanged.

This Corrigendum will also be available on SEBI website at www.sebi.gov.in



MANAGER TO THE BUYBACK :

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Director's Responsibility - The Board of Directors of the Company accepts full responsibility for the information contained in this Corrigendum.

For and on Behalf of the Board of Directors of Praj Industries Limited

Sd/-	Sd/-	Sd/-
Place : Pune	Pramod Chaudhari	Gajanan Nabar
Date : December 21 st , 2011	Executive Chairman	Managing Director
		Dattatraya Nimbolkar
		Company Secretary