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ENERGY & ENVIRONMENT

From India, Chemicals for Cleaning Up



Pramod Chaudhari, center, at one of his plants. Credit - Kishor Khoje



An engineer by training, Pramod Chaudhari founded Praj Industries in Pune, India, in 1983. The company, which started with 10 full-time employees, started supplying technology for waste water treatment and distilleries. Now, with 1,300 employees working out of 12 offices, and five manufacturing plants, the company specializes in bioethanol, waste-water and biochemical technologies.

Q. What makes your company green

A. Many of our activities are in the clean and green space. One of our most important activities that we have engaged in for the last 15 years is bioethanol, which is used as an additive with gasoline. We offer the technology and machinery to produce ethanol from green sources. Ethanol is carbon neutral when mixed with petrol or gasoline, and that is the major activity of our company. Apart from that we also are engaged with waste-water treatment. Water is becoming a major challenge all over the world and providing clean water and ensuring the reuse of water, those are the technologies which we offer and they are quite energy efficient and cost effective.

Q. What gave you the idea to turn your company green?

A. Waste water treatment was a big challenge. India passed an environmental protection act in 1984 or 1985, and I thought that it was one area where we could play a role by offering efficient and effective waste water treatment.

Q. What were some early hurdles for the business?

A. The biggest hurdle was that, despite the push of the government, the customers were not ready to spend money. In those days the customers were required to put up additional machinery to control [water] pollution, but they did not want to spend that extra money. But that difficulty also became a kind of opportunity, which we used to show that they could reuse and recycle.

Q. What makes India a good place to be a green business?

A. For a period of time the awareness of clean and green has increased substantially. Many business opportunities have come up. In the last 10 years, the Indian government also decided to blend bioethanol into gasoline so there are a number of opportunities there. It has become a kind of "business as usual" situation. Green is on the rise. This is now round two. The first round was from 1983, 1984 to about 2000. Now India is really looking at climate change mitigation. And the cleaning of the river Ganges is one of the major missions of the current government, which itself presents a lot of opportunities for all the industries which are located on the bank of the Ganges.



Q. What are the rewards – besides the obvious ones – of running a green business?

A. There are tangible rewards and there are intangible rewards. The tangible reward is that you get good business opportunities, you get the satisfaction of solving the problem and you are able to insure that the pollution is reduced and the environment cleaned up. The intangible reward is that the air pollution is reduced day by day.

Q. You've gone from a small company to a global firm with 1,300 employees. How has that affected your business model?

A. Having worked in the Indian environment, as a developing company, we could establish and demonstrate our technologies firstly in India, and then we started visiting and offering our technology in nearby countries. Appropriate technologies, technologies suitable to developing countries. And that's what we established and where we got a very good response and business growth in these other countries. We've established ourselves in Southeast Asia, South America, Africa and many parts of the world. Subsequently we've taken our technology to Europe and the U.S.A.

Q. Does your rapid growth shift your responsibilities?

A. Yes, it is a very important increase in responsibility because now customers and people from the community expect us to find solutions. Because we've established ourself as real solution provider. That is why we have set up a research and development center to look for further opportunities in green business. For example, how we can make biochemicals, that is green chemicals – another area that is coming up.

Q. How do you effectively advertise Praj Industries' green qualities?

A. More than advertisement is the question of reputation. We are a green technology company. For example, where I'm sitting right now, it is a green building. I think that these are our real advertisements, that when our customers visit our premises, they definitely get the feeling that we are walking the talk.

Q. What is the next big step for Praj industries?

A. We are working on a second-generation technology for producing bioethanol from waste biomass. That's the next big thing. We are developing the concept called biorefinery. In biorefinery the biomass will be processed, which will produce bioethanol on one hand and also different biochemicals. This is something we believe has a tremendous scope in future. Because customers in most parts of the world are becoming aware of the importance of green products. And it's exactly the area we



are working on – converting agricultural residue waste into products for the common man. And we are just around the corner of our launch, next year, of a biomass to bioethanol converter.