

Business Standard

Praj to set up 60:40 JV with Netherlands company Aker

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Pune-based Praj Industries, a biotechnology and engineering solutions provider, has announced the setting up of a 60:40 joint venture with the Netherlands-based Aker Kvaerner, with the Indian company holding the majority.

The JV will offer European customers access to the complete scope of services required for licence, plant design and construction, with seamless integration and application of the company's technology.

The company has also entered into the biodiesel technology space and will offer in-house turnkey solutions, including technology, engineering, plant and equipment and project management services.

To tap the fast-growing Brazilian market, the company is also currently examining certain acquisitions in Brazil to enter into their biofuels technology, plant and equipment market and establish an operational base.

With ethanol production poised to double in Brazil

by 2010, the company is hoping to become a major supplier of biofuel technologies, plant designs and equipment.

The board has given in-principle approval for initial investments of up to Rs 40 crore for the above operations.

Praj has been active in European markets for bio-ethanol technology solutions for some years now.

In 2006, Praj and Aker Kvaerner entered into an alliance for strategic cooperation on bio-ethanol projects in Europe.

Aker Kvaerner Netherlands BV, part of the Aker Kvaerner Group, will be the legal entity entering into the proposed JV with Praj.

The JV, to be located in the Netherlands, will have a separate division to promote the biodiesel business line, the press release said.

With these new initiatives, the company was expecting a significant enhancement in its performance. Pending orders as of March 2007 are in the region of Rs 750 crore, the release added.