

● **INTERVIEW: SANDEEP GUPTA**, vice-chairman & MD, Jakson Group

‘We will have 1,000-mw solar module capacity in 5 years’

JAKSON GROUP, WHICH has been a familiar name in the genset manufacturing business, is diversifying into solar manufacturing and electrical EPC segments. The company plans to invest ₹700 crore in the next three years in building solar module and cell manufacturing capacities. It is also keeping a track of developments in the high-potential power storage market. In an interview with Anupam Chatterjee, Sandeep Gupta, vice-chairman and MD, Jakson Group, believes that the contemporary con- volution in the solar industry would soon pass, bringing a conducive business environment for domestic manufacturers. Excerpts:

What are your views on the solar industry where you want to strengthen your presence?

There is a total chaos in the industry. There are proposals of safeguard duties. The industry is getting the impression that various departments of the government are not working in sync. This is adding to

the confusion. But I believe these issues would be resolved over a year or so and we will see real growth in the sector. There were very few solar auctions and tenders last year, hampering the growth of EPC and manufacturing companies in the sector. But recently, there has been a surge in the announcement of Central government solar auctions. This instils hopes about the sector. But, looking at the current capacity of 20 gw, the target of having 100 gw solar power capacity by 2022 seems outlandish.

In this bleak scenario of the sector, do you still stand by your target of increasing your solar manufacturing base?

As of now, our solar module manufacturing base stands at 80 mw. In the next three to five years, we plan to increase the panel-making capacity to 1,000 mw and have a solar-cell production capacity of 500 mw. We are positive that the current confusion would be resolved, and the government would come up with a mecha-



nism to promote domestic manufacturing. Right now, we are contemplating if we should try to attain the 500-mw cell-making capacity at one go, or in two phases of 250 mw each. We also plan to increase our development portfolio to 500 mw in the next three years. Our current development

portfolio is 80 mw, comprising 20 mw of rooftop solar installations.

What kind of investments are in the solar manufacturing business?

The 1-gw module and 500 mw cell manufacturing itself is close to ₹700 crore of investment. Once the confusion in the industry clears up, then probably we will make more investment in further capacity building. We are open to tie-ups for the manufacturing segment. We are in discussion with a few companies but nothing has been concluded yet.

Being a popular brand in genset manufacturing, do you plan to foray in storage as well?

Yes definitely. Storage is the next big thing that is going to happen in the industry. The implications of storage are not limited to solar, but have applications in electrical vehicles as well. EVs will be one big market for batteries. So, we are very closing from calling the development in

the lithium-ion based storage segment, which we have identified as a potential avenue for diversification for Jakson. We are waiting for the opportune moment to get into battery manufacturing. We have also entered into electrical EPC business, which has a huge potential and is growing at a faster rate.

Amid all the promises of having reliable 24X7 power in the near future, what is your outlook on Jakson's flagship genset making business?

We are in this business for last 35-40 years. The genset business is growing steadily at 8-10% annually, and it will continue at this rate at least for the next 10-15 years. We don't see demand for gensets coming down. Genset is like an insurance policy. Industrial and commercial customers cannot afford a power-cut for even a small duration. Gensets have nothing to do with power reliability. Else, US would not have been the largest genset market in the world.