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## Jakson to Scale Up its Module Manufacturing Facility to 1 GW by 2022: Interview

India will need an investment of over \$500 billion in the solar sector by 2030



The Indian solar market is steadily recovering after facing several challenges due to the Covid-19 pandemic and subsequent lockdowns in the past two years.

According to Mercom's [Q2 2021 India Solar Market Update](#), India installed 2.48 GW of new solar capacity in the second quarter (Q2) of 2021, a 19% quarter-over-quarter increase compared to 2.09 GW installed in the previous quarter.

In Q3 2021, solar auction activity [increased](#) 181% year-over-year to 8.9 GW of capacity from 3.17 GW auctioned in the same period last year. Government agencies tendered 5.8 GW of solar projects in Q3 2021, a 31% decline from 8.5 GW in Q2 2021.

Jakson Group, an engineering, procurement, and construction (EPC) company, shifted from fossil fuel power to renewable energy resources about a decade ago. The company is an independent power producer (IPP) and manufacturer of solar modules.

According to Mercom's [India Solar Project Tracker](#), the Jakson Group has 124 MW of installed solar capacity and 220 MW of solar projects in the pipeline.

Mercom spoke to Sameer Gupta, Chairman and Managing Director of [Jakson Group](#), to discuss the company's plans and his perspective on India's solar industry and the policy regime.

**1. What has the journey been like from fossil fuel power (diesel generators) to renewable energy (solar projects)?**

Jakson Group's journey in renewable energy began in 2011 with a Solar IPP project of 20 MW in Rajasthan. The project was designed, installed, and commissioned by Jakson's in-house team. After that, we continued developing our portfolio and bidding for EPC services for other developers.

We have successfully commissioned more than 1 GW of solar projects (EPC and IPP) with about 220 MW under development. We set up a solar module manufacturing plant, including a module mounting structure facility at Greater Noida. We now have a manufacturing capacity of 600 MW, which we would scale up to 1 GW by 2022.

Today, we are a diversified energy company providing customized turnkey solar solutions for all customer segments, including residential, commercial, industrial rooftop, and utility-based large power projects.

**2. How has the market and the economy evolved to embrace renewable energy from fossil fuels?**

India started with the objective of cutting down the import of fossil fuels. In 2015, India was one of the countries to have signed the Paris Agreement on Climate Change, which aims to limit global warming. Under the leadership of Prime Minister Narendra Modi, India announced its mission to have 175 GW of renewable power by 2022 and 450 GW by 2030. India today is amongst the top five nations in the world in terms of installed renewable capacity.

Thanks to India's focus on innovation and technology, today, solar power prices are even lower than thermal power. Renewables offer a vast potential that helps us meet our objectives of energy security, Aatmanirbhar Bharat, job creation, climate change, and making India a global manufacturing hub.

**3. Jakson is an IPP, an EPC, and a domestic manufacturer for solar modules and other products. What are your experiences from diversifying the business within the solar sector, and how has it helped position the company?**

Jakson is present across the value chain within the solar sector, manufacturing solar modules, solar rooftop solutions, utility-scale EPCs, or having company-owned IPPs.

We are a one-stop shop for all energy solutions for our customers across segments. Jakson has positioned itself as a reliable partner, and we command a premium due to the quality of our products and services. We leverage technology for on-time or before-time completion of projects which differentiates us from the rest.

**4. How badly did the pandemic hit your business, especially the EPC segment? Has the market fully recovered?**

The pandemic can be divided into two phases. There was 100% closure of all production activity during the first lockdown while expenses continued on fixed costs. During the second wave and phase of the lockdown, productivity was low. The supply chain was impacted due to freight disruptions and delays.

The lockdown impacted the possibilities to explore new business opportunities, both domestic and international since there was a complete travel ban. Tender opportunities were also significantly lesser, and most of the active tenders kept being deferred. Today, the market has gradually returned to pre-pandemic levels, which is a great sign.

**5. As a domestic manufacturer, do you believe India has what it takes to take on China to cater to the growing solar sector domestically and internationally?**

We depend on China to supply all the primary raw materials, solar modules, particularly solar cells.

In recent months, the central government has proactively announced many schemes, including [the production-linked incentive](#) (PLI) program, which has ignited the interest of many Indian and global companies to invest in India for manufacturing right from polysilicon to wafer to cell to solar modules. India has made significant investments in manufacturing other related raw materials, like glass, back sheets, and frames.

The availability of raw materials from Indian manufacturers will increase in the coming years, reducing our dependency on China. Our quality is second to none in this sector, and there is no reason why India will not have a dominant presence across the globe for various solar products.

**6. Tell us about your 1 GW solar manufacturing plant. What kind of production should the market expect from Jakson? What are the technology capabilities?**

We are scaling up our existing capacity to 600 MW which should be fully commissioned by November 2021. There are firm plans to increase capacity to 1 GW of solar modules before we integrate backward and venture into the manufacturing of solar cells.

Our production line is fully automated and capable of manufacturing modules even up to 850 Wp or higher capacity. Our 600 Wp Helia series launched recently will be manufactured on this new production line. We are utilizing the latest technology like the multi-bus bar for manufacturing these modules. The fully automated line has relevant elements of Industry 4.0 and Artificial Intelligence, ensuring consistent quality and high productivity, thus improving our competitiveness.

**7. How do you see the future of solar in India?**

The future of solar is, in theory, unlimited. India's current installed capacity is about 35 GW, and the mission is to have more than 300 GW of solar power generation out of 450 GW of renewables by 2030. Moreover, the recent adoption of hydrogen will further increase the potential of the solar sector as mega solar power projects would come up for the production of green hydrogen.

It is envisaged that by 2030, India would need an investment of more than \$500 billion in this sector. All across the globe, investors are taking a keen interest in India, and thanks to improved ease of doing business, we seem to be the most promising country to invest in.

Solar power can position India from being a net importer of fuel to a net exporter of energy.

### **8. Are the incentives offered enough to meet the government's aspirations and targets?**

To fast-track investment and facilitate the speedy development of renewable energy, the government has come out with several encouraging policy initiatives. The initiatives include 100% foreign direct investment in renewable energy through the automatic route, setting up of a renewable energy investment promotion board and a facilitation board to provide one-stop assistance to investors, signing long term power purchase agreements, transparent bidding process, promotion of open access policy, safeguard duty, and basic customs duty. The recently-announced PLI program to promote renewable manufacturing in India has drawn massive attention worldwide. Renewable energy adoption can be fast-tracked if the government focuses on electricity distribution reforms, embraces best global practices on reverse bidding, and promotes distributed energy adoption.