

'We are to get investments from some big investors'

ASHISH KHANNA, president, Renewables, Tata Power, in an interview with Dinakar S, talks about the road ahead for the company in the renewables space in India. Edited excerpts:

India announced an ambitious renewables target of 500 Gw by 2030. Where and how is Tata Power placed in this quest?

We are the oldest manufacturer in the country, and are looking for growth. We started executing a plan for 4 Gw of cell lines and 4 Gw of modules, besides the 530 Mw of cell and 580 Mw of modules we have currently. We have our own EPC (engineering, procurement construction) plants for third parties. By 2027, we would be three times of where we are on EPC. In rooftop and pumps, we will be nine times where we are. And, in the utility scale, we will be five times. We should not limit ourselves to 500 Gw but should be looking across the world.

Will Tata Power be a fully-integrated manufacturer, that is, from polysilicon to modules?

We are going ahead with cell and module manufacturing, and if the policy is favourable for wafers and polysilicon, we will make commitments on that too. We are playing on fields where we have strengths. Wafers and poly are things we need to learn. Not that we are agnostic but after evaluating, we are investing in cells and modules, with all options open to us.

Would you be one of the key bidders for the new production-linked incentive (PLI) scheme in the solar segment? The new scheme allocates more than half of its budget to integrated plants.

We participated in the first ₹4,500 crore scheme. We intend to participate in the new one also. What we like is that it will be applicable for those who have invested in the last six months.

If you are looking at an integrated player, of say 10Gw, and you have cell and module manufacturers (separately), it will still be dependent on outside suppliers, unless we have in-house production of poly and wafers that's available to others. The government has to see how to balance it out.

Would you be venturing into green hydrogen and battery manufacturing?

We are building on our strengths on the execution part in hydrogen and storage. The challenge lies in manufacturing. Green hydrogen needs two critical components: One is electrolyzers, and the other least cost of power. We are



strong in the latter but not in electrolyzers.

New players like Ambani and Adani are looking at foreign funds and technologies. Where does Tata Power stand?

One is a tie up for technologies, and the other is a tie up for funding. We have investments coming into our company, currently in the range of 10-11 per cent from very big investors. One of them has trillion-odd dollars in assets. I don't think growth equity or funding is a challenge.

Battery storage is expensive. Are there cheaper options like hybrid or pumped storage?

If I demystify pump storage, we first have water coming down to turbines and then we have the same water going

up, and for that we use power too. I am infusing power just to generate power. If you want to take the base load away from coal, it's not possible in the next 10 years. We can reduce it little by little and have more renewables, rather than saying we want only 100 per cent renewables. If you look at the demand curve of this country, it's very different from Europe. In Europe, they have a huge requirement of heat load at night. In most parts of India, we don't have that. If you look at the generation curve, I have wind early in the morning, during the day I have solar, and in the evening I have wind again. Most parts of the day when I have peak requirements, I have renewables.

Will the hybrids be competitive against pure solar?

In today's tenders, the tariffs are ₹2.5-3/kWh. Is it not a great price for a 25-year commitment? If we have more tenders (hybrid), it will help the industry mature, and volumes will bring cost optimisation. Asset quality is equally important. For example, if I assume a 0.5 per cent degradation of modules, and if modules degrade at 5-7 per cent, then energy will not come irrespective of tariff.



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