

L&T eyes CIS region for solar projects

After West Asia, oil-rich countries like Uzbekistan are generating demand for solar energy

M Ramesh

Engineering and construction major L&T was one of the earliest builders of solar plants in India. In 2010 it built a 10 MW plant — a large one for that time. But with margins shrivelling in the engineering, procurement, and construction (EPC) business, the company preferred to focus on overseas works.

Today, the company has a 22-GW (construction) portfolio, about 85 per cent of which is overseas. (L&T builds solar plants for others; it does not own the assets.) The overseas projects are almost entirely in West Asia, including a chunk in Saudi Arabia.

And now, the company is training its sights on the Commonwealth of Independent States, or CIS countries, mainly Uzbekistan, says T Madhava Das, Wholetime Director and Senior Exec-



SUNWARD. T Madhava Das, wholetime director-Senior EVP, L&T

utive Vice President (Utilities), who oversees renewable energy projects. “We follow our customers, who are large international developers,” Das says.

L&T recently carved out its re-

newable energy business from the ‘power transmission and distribution’ segment, which in turn is part of its ‘infrastructure business’. This essentially means that renewable energy will be re-

garded as a separate profit centre. Earlier, renewable energy was fledgling and therefore incubated within the power transmission segment.

OIL PRODUCERS’ DEMAND

CIS countries are opening up in a big way, setting up large solar capacities, Das says, observing that many oil producing companies are looking at solar as a cheaper energy source for their oil operations and saving the oil for sales.

In India, L&T wants to explore profitable niches, mainly floating solar. It built the 90-MW Omkareshwar floating solar plant in Madhya Pradesh for SJVN Green Energy Ltd. The plant was commissioned in August.

The renewable energy business vertical, though mainly solar at the moment, will also take up projects to build battery storage capacities and wind projects, Das says.