

Why Saudi Arabia is L&T's new hunting ground for solar biz

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With 10GW of solar projects under its belt and more to come in Saudi Arabia, L&T has found the country to be a happy hunting ground.

When the solar movement began in India around 2011, L&T was everybody's favourite EPC contractor. But after the first GW was built, the engineering major found the market to be too crowded and margins too thin; it quietly yielded space to other companies, such as Sterling & Wilson, of the Shapoorji Pallonji Group.

SOLAR AMBITION

Not one to cut corners to bag projects, L&T found itself unable to turn out to be the "L-1" – or the lowest bidder – in tenders and bowed out of the rat race. But now, it has come back into solar with a



vengeance – this time in the Kingdom of Saudi Arabia.

While the entire Middle East, or indeed the whole of MENA region, is solarising itself, Saudi Arabia stands out, with a stated ambition of building 70GW of solar capacity by 2030. L&T's Whole-time Director, T Madhava Das, told *businessline* that of the 10GW that the company is building, 1.3GW has been completed and another 2.9GW would be completed by March.

One of the projects is a 1.8 GW plant at a single location, of which, 1 GW has been commissioned; the rest would go on stream by March, said Das. He said that given Saudi Arabia's mega plans, L&T would get more contracts.

L&T is also doing the 'balance of plant' part of wind power.

The country is building 1.6GW of wind power, with 250 wind turbines, to feed the electrolyzers of the green hydrogen plants that will energise the 'Neom City', the \$500-billion all-green, futuristic hyper city.

INDIA PLANS

Back in India, L&T is getting back into solar, choosing niche projects where the margins are better. One of the projects L&T is doing is a part of the Omkareshwar Dam floating solar project, the world's biggest floating solar plant.