Gautam Adani, the world’s third richest man, on Wednesday said his group would set up three gigafactories as part of its commitment to invest $70 billion in green energy and related businesses. This will lead to one of the world’s most integrated green energy value chains, Adani said.

“This will extend from polysilicon to solar modules, complete manufacturing of wind turbines, and the manufacturing of hydrogen electrolyzers,” Adani said at an event organized by the US Chamber of Commerce’s US India Business Council (USIBC), where he was presented with the USIBC Global Leadership Award.

Adani added that these gigafactories and planned investments will generate an additional 45 gigawatts (GW) of renewable energy to add to the group’s existing 20GW capacity and 3 million tonnes of hydrogen—all of which will be completed before 2030.

“This value chain will be fully indigenous and aligned with the geopolitical needs of our nation. However, I believe we can further accelerate our goals with support from companies in the US that are willing to work with us,” he said.

“There has been a lot of talk about developed nations supporting developing nations, but far more needs to be done—urgently—in terms of partnering in this space. Cooling the planet down is necessary and can be one of the most profitable businesses over the next several decades,” he added.

Adani’s announcement of his gigafactory plans comes days after Mukesh Ambani announced plans to accelerate Reliance Industries Ltd’s (RIL’s) investments in green energy, with the group contemplating...
Adani plans 3 gigafactories as part of $70 billion green push

India needs to build domestic capabilities in semiconductors, Adani said. BLOOMBERG

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doubling itsearlier planned investment of 75,000 crore in its so-called new energy business.

Addressing the RIL annual general meeting, Ambani said the group plans to set up another gigafactory to produce power electronics. RIL had previously announced plans to set up four gigafactories for photovoltaic panels, energy storage, green hydrogen and fuel cells.

Ambani added that RIL’s new solar PV cell and module factory at Jamnagar will commence production by 2024 and that the group is targeting to scale this up to 20GW annual capacity in a phased manner by 2026. He added that Reliance intends to start making battery packs by 2023, scale up to a fully integrated 5GWh annual cell to pack manufacturing facility by 2024, and further scale it up to 50GWh annual capacity by 2027.

Adani added that semiconductors are another critical sector where India needs to build domestic capabilities. “We live in a world where semiconductors are essential to almost all sectors of the economy. The ongoing wars have only accelerated this recognition. The paradox of capitalism is that media continues to be the best global pool for millions of engineers—especially for US firms—but the primary value addition to the businesses happens outside India. The semiconductor industry is a classic example with more engineers deployed in India than anywhere else in the world, and yet, India has no semiconductor plant,” said Adani.

India cannot remain dependent on global supply chains that are based on semiconductor nationalism and will need US support with technology transfer, he added. Defence and cyber are other areas where India and US can collaborate, as well as healthcare, Adani said. “India needs support in both these areas, and, at this time, we are just skimming the surface. These are two essential areas where our partnerships must span technology transfer to be able to build mutual confidence,” he said.

Adani also expressed optimism on India and the US reaching an understanding on a trade deal soon. “...whilenegotiators from our countries have struggled to reach an agreement on trade and tariffs, I believe we are closer than ever to addressing the open matters. I am confident we will resolve this and mutually accept some compromises. What we cannot afford is to remain stuck in the belief that all aspects of trade and relations are being hampered as a result of tariffs,” he said.