

“Going forward, O&M will become a key issue”

Simarpreet Singh, Head Strategy, Hartek Power Pvt Ltd, speaks to Monica Chaturvedi Charna about current trends in the power equipment industry.

Kindly tell us about the genesis of Hartek Power, business verticals and your product portfolio.

Hartek Power is part of the Hartek Group and is active in four strategic business units. It was set up in 1991 and the EPC arm started in 2005. It is a diversified engineering procurement construction (EPC) and manufacturing company, but the core business is in the area of high voltage substations and transmission lines of upto 400 kV. We are also engaged in manufacturing power distribution products like high and low voltage switchgears; we have a technology tie-up with Schneider Electric as well. In the last 4-5 years, we have also done a number of projects in the solar domain and have set up close to 140 MW of solar substations in India. We also have a lot of tenders from the electricity boards. Going forward, the focus of the group will be on backward integration. The IPP segment is also picking pace and in view of this, we have recently taken up a 100 MW project for supplying substations for solar projects.

What are the reasons for failure in distribution transformers?

The failure rate of power transformers is very low because only tier 1 manufacturers are offering these, but, there are a few issues in the distribution segment. The biggest reason for the failure is the quality concern because the core of the transformer is not being procured from a prime grade manufacturer. Secondly, there is no operation and maintenance (O&M) care for the transformer. Although in the private sector, the rate of failure is low since more attention is given to the quality, on the government side, there are a lot of issues.

Tell us about your switchgear business and what is its share in the company's total pie?

Hartek and Schneider Electric have been associated since the last 25 years as partners and customers to each other. In 2011, when the demerger of Areva and Schneider happened, we decided to venture



into the switchgear business through a partnership with Schneider. We are procuring the entire switchgear technology from Schneider and assembling the panels at our workshops. We are doing very well in Punjab and now planning on foraying into South India.

In the EPC space, we have done close to 147 projects in the last 9 years, across India. This includes both utility as well as the solar segment. We recently commissioned a 30 MW project in Chhattisgarh for an IPP. Our target is to reduce the power distribution losses that occur because of shutting down of the transformer. So, our focus is on the substation part.

Your views on dumping of switchgears, etc, from countries like China and Taiwan.

At the macro level, it definitely is a challenge in the sense that players like us need to focus more on the O&M and servicing part. A manufacturer based in India would have a strong customer support system in place but in the case of imports from these countries, after sale services and maintenance becomes a concern. So, although quality is a big factor, in the years to come, O&M will become a key issue. Hartek has more than 50 people dedicated to servicing. So, if a plant breakdown happens in Andhra Pradesh, our dedicated servicing team takes over to handle it. Going forward, O&M will be an integral aspect of the value chain. All strong manufacturers will have to ensure that their O&M wing is equally strong, and this will be the challenging part. There will be a huge scope for O&M business in the coming 5 years.

What is the need of the hour for the T&D sector?

Right now, a lot of focus is being given to generation, be it conventional or RE. But, no one is thinking about grid balancing – do we have enough capacity transmission lines, upgradation of substations, etc. So our R&D team in Punjab is working at augmenting and improving the substations. So SEBs should focus on this aspect and improve the situation of existing substations.