

CRITICAL REVIEW OF INDIAN SOLAR INDUSTRY CURRENT STATUS AND FUTURE PROSPECTS

ABSTRACT

Solar based energy has a potential so enormous that Kurokawa et al. (2007) estimate that PV cells installed on 4% of the surface area of the world's deserts would produce enough electricity to meet the world's current energy consumption. Similarly Indian subcontinent also has huge potential for solar energy. This shows the need to focus on the Solar Industry. To achieve the synergy between the buyers and sellers, it is necessary to understand the market structure of the industry. Study of market structure can help us to understand the insights of the industry, the value supply chain, bargaining power of different stakeholders, the vested interests of different groups and their power to lobby the changes in the industry.

After an extensive research on solar industry it is clear that JNNSM was a landmark decision which reflects the eagerness and dedication of the policymakers to make the country energy efficient and less dependent on conventional sources. The Indian policy for solar development is very comprehensive & extensive and there are a number of significant attributes which are expected to contribute in completion of solar mission. Also there is a serious intent by the centre as well as states to develop renewable capacities for energy sufficiency. The Indian Value-chain analysis depicts that the raw material conversion into manufacturing still needs time for the Indian manufacturers to put the hands on. While a number of players are coming up to increase the PV manufacturing though for some recent years the system will have to be depending on cheaper alternatives of imports basically from China. But some important amendments are needed to be done and to make sure that the mission is achieved in the best way possible. It is therefore clear that the gaps in the prevailing policy are few but quite critical for effectively unleashing the solar potential in India. The solutions are widely recognized and need to be prioritized so as not to lose the momentum created by the JNNSM and the state initiatives, and ensure that India emerges as the global destination for investment in solar energy.