

## Solar power in India

### What is the need for solar power?

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- Sunlight received by earth in one hour is enough to meet the annual energy needs of all people worldwide.

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- Global warming has to be curbed to a 1.5 degrees Celsius rise, in accordance to the Paris Agreement of 2015.

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- India is a signatory of this accord, solar energy is vital to meet these commitments.

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### What are the advantages?

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- **Safe** - Nuclear power pollutes water and land and has caused environmental catastrophes, use of solar energy will eliminate these unsafe consequences.

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- **Combats Climate Change** - Solar power can restrict climate change as it produces no carbon emissions.

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- **Small and Decentralized Electricity Source** - Electricity can be generated using photo - voltaic cells installed on roof - tops of individual buildings.

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- **Green energy in rural area** - This is crucial for agri - business in farms for running irrigation, greenhouses, and crop and hay dryers, making agriculture risk - free.

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- **Cheap and Reliable Energy Source** - The price of solar PV panels have decreased by 60% and the cost of the solar electricity system by 50%.

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- **Employment Generation** - such as small businesses engaged in installations, followed by solar designers, sales person and service professionals.

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## **What are the Government initiatives?**

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- The National Solar Mission phase I was launched in 2010.
- The Mission has set the ambitious target of deploying 20,000 MW of grid connected solar power by 2022.
- The state governments have also announced solar policies to promote solar energy technologies in their respective states.
- Phase II of the mission includes following schemes

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- **Solar Park Scheme** - Scheme for Enhancement of capacity from 20,000 MW to 40,000 MW for Development of Solar Parks and Ultra Mega Solar Power Projects.
- **CPSU Scheme** - Implementation of Scheme for setting up of 1000 MW of Grid Connected Solar PV Power Projects by Central Public Sector Undertakings (CPSUs).
- **Defence Scheme** - Scheme for setting up over 300 MW of Grid Solar PV Power Projects by Defence Establishments under Ministry of Defence and Para Military Forces
- **VGF Scheme (5000 MW)** - Scheme for setting up of 2000 MW Grid - Connected Solar PV Power Projects with Viability Gap Funding (VGF)
- **Canal Bank / Canal Top Scheme** - Pilot - cum - Demonstration Projects for Development of Grid Connected Solar PV Power Plants on Canal Banks and canal Tops

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## Areas of concern

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- **Lack of manufacturing firms** - This is due to the fact that the cell manufacturing companies in the US, China, Taiwan, Malaysia and EU are dumping their cells in Indian markets at lower costs.

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- **Absence of Proper Financing Mechanism** - National banks provide debt at a rate much higher than what is available in the developed nations.

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- Due to NPA issues there is no flow of funds to solar infrastructures.

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- **Availability of Land and Its Possession** - Finding a suitable land which must be non - agricultural and unused land with good solar irradiance is challenging.

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- **Lack of skilled workforce** - the solar energy is unlike the other renewable and non - renewable energy sources lags in skilled manpower.

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- **Environmental concerns** - Recently a capacity in Rajasthan was stalled after it was found that 40% of the land allotted was part of a lake which would get submerged when the water level rises during monsoon.

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- That could have also result in a major ecological issue, as that lake is the second largest breeding ground for flamingos in India

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- **Evacuation of power** - Many regions in some states don't have required power grid. It is responsible for very high Aggregate Technical and Commercial losses.

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- There is no set up for exclusive transmission lines for evacuating energy from renewable energy sources.

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## What should be done?

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- **Use of waste lands** - Based on the assumption that 3% of wasteland in

each state can be used for solar power projects.

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- **Promoting decentralized plants** - To promote the usage of rooftop solar power and other solar appliances schemes should be introduced, based on the existing schemes for LED distributions.  
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- **Manufacturing** - The production of flat glass and its raw materials must expand to eliminate supply constraints or future imports  
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- **Hybrid solar plants** - Solar panels can be located in the space between the towers of wind - power plants.  
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- This type of plants are already setup in Himalayan regions this can be extended to other terrains.  
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- **Financing mechanisms** - Ministry of finance should come up with innovative financing measures to promote these capital - intensive renewable energy projects.  
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- Financing measures such as clean energy fund, generation based incentive linked loan repayment and green bonds are some of those.  
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