

How to Start Solar Energy Business in India | Best Business Ideas in 2022

Solar Energy Business Ideas in India

Solar Energy Business is one of the best business ideas that anyone can take up at this time. According to the name, it says making electricity with the help of Solar Panels. There are a lot of ways by which people can earn money with the help of the Solar Energy Business in India. So for that business plan to be successful let us discuss all the parameters of this business.

We will also discuss a business plan so that you can get a fair idea of this Solar Panel Business. If planned properly Solar Business can make you earn a hefty amount of money within a very short period of time.

Current Demand for Solar Energy Business in India

Nowadays everyone has become aware of pollution and we all are suffering a lot because of the current pollution levels. Whether it be dense smog in the winters or the acid rain. Thus the demand for Solar Energy Business has touched its all-time high. Nowadays everyone is aware of Solar Panels and how they can generate clean and free electricity which can be used personally and even it can be distributed among people.

Even the Government of India is focussing more on solar energy. Even in some areas of India due to some reasons people

don't have electricity for around 16 hours a day and they suffer. Keeping these stats in mind, we can definitely say that the Solar Energy business or Solar Panel business would be profitable in the long run.

Types of Solar Energy Business Ideas that can be done in India



Solar Energy Business in India

There are many types of businesses that can be related to the Solar Energy Industry. Some of them include:

- Manufacturing or Production of the Solar Panels on a large scale.
- Importing or Exporting pre-made Solar Panels and selling them.
- Solar Panel Installation and servicing and maintenance business.
- Solar Energy Requirement and auditing.
- Opening up a Solar Plant to distribute electricity among people.

Here we will discuss the last point which is opening a solar power plant to distribute electricity among people. Though all the above-mentioned businesses are very profitable and we will surely cover each business idea related to solar energy in a very detailed manner in the further articles.

Benefits of the Solar Energy Business in India

As we have discussed initially the current demand for Solar Energy Business in India. We can say that the solar business in India has many benefits and to discuss some of them, we have mentioned them below.

1. Solar Energy – Clean Energy – As the energy produced by solar panels is clean and does not produce any pollution thus it is required in all parts of the world. Thus we can say that the demand for the solar power business is very high.
2. Self Reliable – We all at some point are totally dependent on big electricity-producing companies for our connection. By setting up Solar Power Plants we can become self-reliant and we can become independent.
3. Increased profitability – If we set up solar power plants for our business electricity needs then we can for sure save a lot of money which we would have given as an electricity bill. Thus we can increase the profits that we are making in our current business.

The list will go on and on as Solar Energy Business has a lot of benefits and one can never cover all of them in an article.

Competitors in Solar Energy Business in India

Talking about the competition, it is very clear that the competition is very less at this point in time. Though it will increase as soon as people will realize the need and the benefits of the electricity produced by the Solar Panels with the help of Solar Energy. It can be said that this can be the right time to start any business related to Solar Panels whether it be its production or the electricity distribution.

Some big companies like Tata Power Solar, Vikram Solar Pvt, Adani Green, Loom Solars, etc have had a good hold on this industry for a long time. Though these are big companies at this point in time, they cannot reach each and every locality of India as it would take the next 10 – 15 years. So for this period of time, anyone can make their Solar Energy Business reach a certain point where it will not get affected by

anyone.

Raw Materials required for Solar Energy Business in India

Solar Energy Business is a type of business that can be performed both on small scale (from home) and even on large scale (from a power plant). The key requirements in the production of the electricity usually depends upon the number of Solar Panels that you have set up and their power ratings.

So the list of raw materials goes as:

1. Land – To start this business on a small scale the terrace on top of your house is enough but if you want to scale the business and want to distribute others as well then you must have some land area so that you can set your solar panels there and you can make a small power station where you can keep all your panels, batteries, etc.
2. Solar Panels – Solar Panels are the most important raw materials as at last, they will be producing our electricity. Talking about Solar Panels they can be bought from the market. There are several companies that are producing solar panels and you can give them a call and discuss your requirements with them. They will even guide you in setting up Solar Energy Business.
3. Batteries – You have to purchase batteries so that you can store the energy which can be used at night time when there is no Solar Energy. The specification and numbers of batteries totally depend upon the scale of the Solar business which you are planning to set up.
4. Wires, bolts, etc – Last but not least wires, bolts, and other materials are also required while setting up a Solar Power Plant Business.

The above-mentioned items are used in setting up a Solar

energy Business plan. Though their specification and numbers greatly vary according to the scale on which you are going to set up the business.

Machines required in starting the Solar Energy Business in India

Though no big machines are required in this business that is in Solar Energy Business. People have to take care of the solar panels. Solar panels need some special care and attention. We have to clean it at times to get rid of the dust.

There are some sophisticated devices that can be installed on the solar panels which make them track the sun. Like when the sun rises in the east that device will make the solar panel look towards the sun in the east direction and as the sun moves towards the west the solar panel will track its movement and thus will produce electricity continuously the whole day.

Water pumps are required to produce pressurized water jets that can clean the solar panels so that our panels can absorb the solar energy efficiently.

These were a few machines that can be used to increase the output of the Solar Energy Business that we are going to set up using Solar Panels.

Basic planning before starting the Solar Energy Business in India

Imagining opening a business and actually opening a business are two different things. Personal Planning is all about making a presentation on our own. Some points that we should keep in mind are:

- 1)Keep a note of everything you want in your business.

- 2) Make a Powerpoint presentation for yourself to guide you in the future.
- 3) Jot down every relevant thought that comes to your mind.
- 4) Write questions and answer them personally and write the answers too.
- 5) Keep sane thoughts and not fairytales.
- 6) Stay motivated and keep it practical.

Business Point Planning

Business is started by one person but actually, there are other people who make it possible. Some relevant points to plan a solar energy business in India from a business point of view.

1. Keep strategies new and dynamic with time and environment.
2. Get an idea about the users that will take up your service.
3. Plan capital, cost, and investment.
4. Watch competitors and learn from their mistakes.
5. Don't copy anyone.
6. Inspect every department and calculate costs, profits and losses every month.

The initial cost for setting up Solar Energy Business in India

Many of us will be waiting eagerly for this point to come. The wait is over. Let's discuss the cost. Cost is fully dependent upon the scale of the Electricity Manufacturing Plant. If the business owner is targeting to set a large-scale manufacturing plant to serve a large number of people then it is quite obvious that the cost will be much higher than if we plan to

distribute the electricity in our locality itself.

I have attached a table below which will give you an idea about the cost of solar panels.

Solar Panel Ratings	Selling Price	Per watt Price
40 Watt / 12V Solar Panels	2400	36
60 Watt / 12V Solar Panels	3000	50
80 Watt / 12V Solar Panels	5000	62
105 Watt / 12V Solar Panels	8500	83
165 Watt / 12V Solar Panels	14000	84
330 Watt / 24V Solar Panels	13000	39
395 Watt / 24V Solar Panels	14000	35
445 Watt / 24V Solar Panels	35000	78

Solar Panel Cost for Solar Energy Business

The cost of Batteries to store Solar Energy is given in the below-mentioned table.

Solar Battery Model	Rating (Ah)	Selling Price
20Ah Solar Power Battery	20Ah	Rs. 2,800
40Ah Solar Power Battery	40Ah	Rs. 3,700
60Ah Solar Power Battery	60Ah	Rs. 4,500
75Ah Solar Power Battery	75Ah	Rs. 6,000
100Ah Solar Power Battery	100Ah	Rs. 7,800
150Ah Solar Power Battery	150Ah	Rs. 11,900
200Ah Solar Power Battery	200Ah	Rs. 12,900

Batteries Cost for Solar Energy Business

(In ₹, INR)

Cost for the Land – It depends upon the locality where you are looking to take the land on lease or on rent. It can be in the range of ₹ 25,000 to ₹ 50,000

Things to keep in mind before starting a Solar Energy business

For setting up any kind of business in India, we have to take various permissions and licenses from the Government. These documents help us to practice our business legally and to get all the benefits provided by the Government.

Some of them are mentioned below.

1. [UAM Registration](#) (Udyog Aadhar Registration With MSME)
2. Company Registration with Registrar Of Companies
3. Powerplant [License](#)
4. NOC by the Local Government and from the Pollution Board
5. For a detailed report please [click here](#) to read a document posted by MNRE.

Risks and problems in Solar Energy Business

When we make any business plan we have to think both about its pros and its cons before taking any action. As there are many risks that are related to businesses that people don't consider from the start. Though we have talked about so many pros of the Solar Energy Business or the Solar Panel Business. So now let's dive deep and discuss some of the risks or the cons of the solar Energy Business in India.

- The initial setup cost is somewhat high and people may not afford it if they plan it to start on a large scale.
- If any time comes that the sun goes into the clouds for a long time then the solar power plants will not work efficiently and hence will make a big issue.
- Solar panels require a great amount of care and maintenance which sometimes become costly.
- Solar Plants need skilled and efficient workers to take

care of them.

- It takes a bit more space to accommodate large numbers of Solar Panels.

Safety measures that should be taken in Solar Energy Business

Safety is the first requirement before any other thing in the business. There are enormous businesses going on in India but successful are those who have safety measures.

If one wants to start a Solar Energy business in India then these must be followed.

1. Fire extinguishers should be available in the firm in case of any accidents.
2. Good Quality wires and cables should be used.
3. Labors should be taught the basic things to do in an emergency.

All the procedures and orders should be followed in order to start the business fairly and without any misleading conduct.

Profits in Solar Energy Business in India

Profit in this business depends upon how big or small scale you are running your business on. The big scale has different profits because the tools and raw materials are in large quantities and on the other hand small scale does not require many tools and raw materials.

Solar Energy Business is very profitable in a long run. I know many people who have completely transferred their business to run on Solar Energy and they are saving up to 1,00,000 per month. I have even seen people distributing people the electricity and making around 1,00,000 – 1,50,000 months with

a small-scale solar energy business. (All figures are in INR)

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What is the profitability of Solar Energy Business in India?

Solar Energy Business is the most profitable business of this time. The maintenance cost of the panels is very less. The overall cost to run this business smoothly is very less compared to other businesses. Hence Solar Energy Business is very profitable.

How much money do I need to have for starting a Solar Energy Business in India?

This question is very subjective as the cost for starting a solar energy business greatly depends upon the scale of the business one can start this business with as low as 30,000 and it can go upto 5,00,00,000 (INR).

What is the cost of Solar Panel in India?

The cost of a solar panel greatly depends upon the Power rating for which it has been designed. You can have a look at the table attached above in the article for more information regarding the price of Solar Panels.

What is the future of Solar Energy Business in India?

The future of the Solar Energy Business is very safe and profitable. We at this time have become more climate-conscious. To protect the climate we all know we have to decrease the pollution level.

Can we run AC on Solar Energy?

Yes. You can definitely run an AC on Solar Energy but for that, you have to buy a panel with a high power rating. Moreover, we have to set up an on-grid solar panel system in which the power usually varies from 1kW to 10 kW. With this said, these on-grid systems can easily run ACs at home, malls, etc.

How long does a Solar Panel last?

The life of a Solar Panel can be ~ 20 – 25 Years. If taken proper care and giving it proper maintenance it may last longer.

Does Solar Panel work in Rainy Season?

Yes. It is no doubt that the solar panel works perfectly during the daytime. When the weather turns dark and rainy there are some special types of Solar panels that can even harvest the force produced by the falling raindrops. These Solar Panels are quite expensive.