

FRAMEWORKS & STRATEGIC LOGIC FOR MARKET ENTRY

**Solar Energy Provider Expansion into
Commercial Rooftop Installations**

Region: India

February 2026

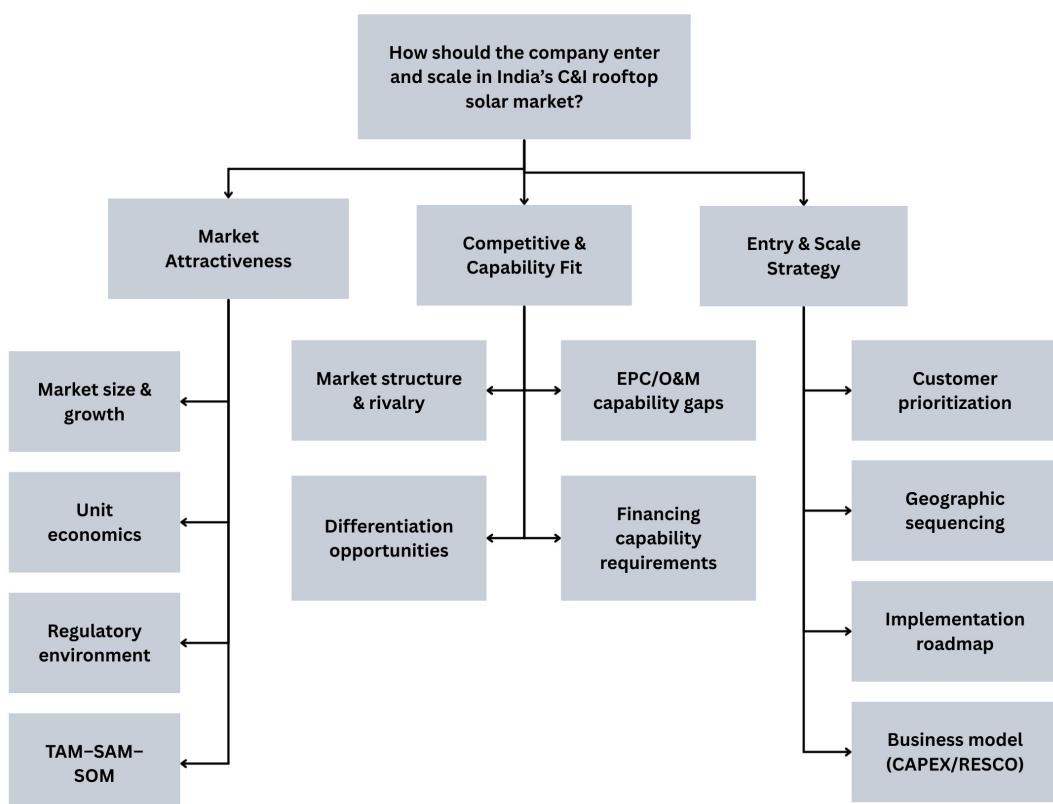
1. PROBLEM STATEMENT

How should a mid-scale solar EPC startup enter and scale in the commercial rooftop solar (C&I) market in India over the next three years, considering market attractiveness, competitive structure, customer economics, geographic differences, and required capabilities?

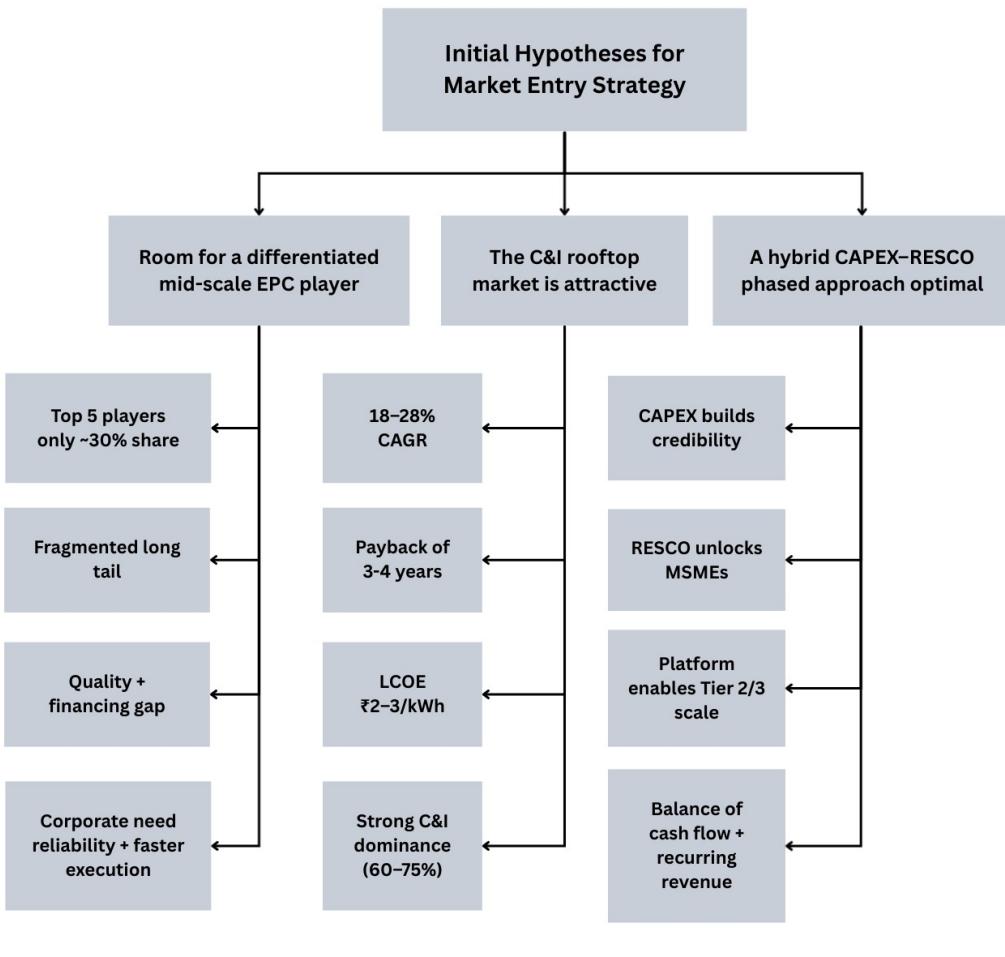
This includes determining:

- Priority customer segments
- Target states
- Optimal entry model (CAPEX/RESCO/hybrid)
- Capability requirements
- 3-year growth roadmap
- Key risk mitigation levers

2. ISSUE TREE (DECISION BREAKDOWN)



3. HYPOTHESIS TREE



4. MECE BREAKDOWN OF THE ANALYSIS APPROACH

A. Market Analysis (Demand - Economics - Regulation)

- Market size, growth, TAM–SAM–SOM
- Economics: payback, LCOE, CAPEX benchmarks
- Policy landscape and state-level viability

B. Customer & Competition (Segments - Needs - Players)

- Segments: Manufacturing, Logistics, IT Parks, Retail, MSMEs
- Customer needs: cost savings, ESG, reliability, financing
- Competition: top players, fragmentation, pricing pressure

C. Strategic Options (Models - Geography - GTM)

- Business models: CAPEX vs RESCO vs hybrid
- Geographic priority: Maharashtra, Gujarat, Karnataka
- Go-to-market: direct B2B, channel partners, digital MSME funnel

D. Implementation Roadmap (Capabilities - Risks - Phasing)

- EPC/O&M capability build
- NBFC partnership structure
- Phased scale-up plan
- Risk mitigation plan

4. SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">• Lean cost structure• Fast execution capability• Flexibility to target niche segments• Ability to differentiate via quality• Easy adoption of IoT-based O&M systems	<ul style="list-style-type: none">• Limited C&I track record initially• No corporate relationships yet• No NBFC financing partners• Lower brand recognition than large incumbents
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">• 18–28% CAGR market growth• 15 GW untapped MSME demand• High grid tariffs drive payback advantage• Market fragmentation → mid-tier whitespace	<ul style="list-style-type: none">• DISCOM approval delays• Local EPC price undercutting• Net metering policy instability• Financing constraints for MSMEs

6. KEY ASSUMPTIONS & CONSTRAINTS

Assumptions

- LCOE remains ₹2–3/kWh
- C&I payback stays at 3–4 years
- Net metering remains available in priority states
- NBFC partnerships achievable within 6–12 months
- Average installation cost: ₹35,000–50,000/kW

Constraints

- Capital intensity for RESCO portfolio
 - Regulatory inconsistencies across states
 - Skilled EPC manpower availability
 - Customer sensitivity to installation quality & downtime
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7. SUMMARY OF STRATEGIC LOGIC

The problem is structured into three core dimensions:

- 1. Market Attractiveness:** Strong growth, attractive economics, favorable regulation.
- 2. Competitive & Capability Fit:** Fragmented competition and capability gaps create room for a mid-scale, quality-led entrant.
- 3. Entry & Scale Strategy:** Hybrid CAPEX–RESCO model, phased rollout, and MSME financing enable sustainable 3-year scale.