Globally, the renewable energy sector is expanding at an exponential rate. As renewable energy becomes increasingly important within developing countries - for both energy diversification and energy security - emerging countries like India have taken a symbolic lead in committing to clean energy transitions. The Narendra Modi Government has embarked on an ambitious solar energy strategy over the past few years. The aim is for India's solar energy capacity to reach 100 GW by 2022, with the current capacity at a little over 7 GW. To achieve such targets, the government has initiated a number of reforms including making land acquisition much easier but it has also opened up bids on several solar energy projects across the country on a competitive basis. Those positive about the strategy have highlighted that this has resulted in solar power becoming cheaper than thermal power in India. However, there are serious questions about whether this is negatively impacting India's local manufacturing capacity in the solar energy sector and whether it is creating long-term dependency on foreign technology. Such dangers came to a head when the United States won a WTO ruling against India's local content requirements for solar energy investments in 2016. In contrast to Chinese expansion, India actually has limited capabilities in any segment of the solar energy value-chain - from R&D to capital equipment to manufacturing to BOS Components to deployment. This is despite the Modi Government's rapid expansion of solar energy generation over the past three years and its aim of making the country a global leader in solar energy generation.

This paper builds on 34 interviews undertaken with firms, government officials and consultants between March 2016 and July 2018. It highlights the new global dynamics of power distribution between stakeholders in the solar energy sector. In particular, it highlights the dependency that is associated with a sole focus on generation rather than boosting local capabilities in high-value segments of the value-chain. These findings echo similar dynamics in other developing countries - particularly in Africa - where there has been limited or no focus on R&D and manufacturing.