



IIMC-CRC-2017-12

IIMC CASE RESEARCH CENTRE (IIMCCRC)

RAMENDRA SINGH, M RAO,

FEBRUARY 2017

SWITCHON – O’NERGY: SOCIAL INNOVATION CHALLENGES AT THE BOTTOM OF THE PYRAMID

INTRODUCTION

January 2016, Mr. Piyush Jaju, CEO of O’Nergy Solar, along with his brother Mr. Vinay Jaju, COO, was huddled late in the night planning the future strategy for their enterprise. O’Nergy was a solar venture based in Kolkata with operations in West Bengal, Orissa, Jharkhand, Bihar, and Northeast with two business divisions of energy access and solar rooftops (refer **Exhibit 1**). The Jajus were remembering their journey and pondering over the best strategy to adopt with regard to Jaju’s statement “*By 2022 we will impact ten million lives*”.

O’Nergy registered as a for-profit enterprise in 2009, was an offshoot of “SwitchON” (an advocacy NGO in spreading awareness about climate change and sustainable living). Based on last mile distribution of solar power, O’Nergy over the years had grown rapidly and recognized as a leading provider of solar energy to underprivileged households of eastern India. Their journey had been tough with many ups and downs. Having faced some virtually ‘impossible to solve’ hurdles, Piyush and Vinay now found themselves at an inflection point in deciding on the right direction to take.

In 6 years at the end of 2015, O’Nergy had impacted 2,50,000 lives of people at the Bottom of the Pyramid (BOP), and had helped save several tons of carbon emissions. The Jajus were

Ramendra Singh of the Indian Institute of Management Calcutta and M Rao, developed this case study as the basis for class discussion rather than to illustrate the effective or ineffective running of an organization.

Copyright © 2017, Indian Institute of Management Calcutta.

proud of their achievements but also knew that they have to face growth challenges ahead. The awareness was still low, competition kept mushrooming from all directions, the mammoth task of starting production loomed ahead, and growing geographically to cover more states seemed imminent. The Jajus seemed to have endless decisions to make. O'Nergy's strength lay in developing high quality products, strong after-sales service networks, ease in consumer financing, and an ecosystem for sustainable development and rural empowerment. How to leverage these to their advantage while overcoming their challenges needed a well-planned strategy. But without a constant flow of funds for a continuous growth, could they sustain with their current business model over a long period of time? With a blank page open on the computer Piyush began keying in points for a blue print of their plans to emerge with inputs from the duo.