

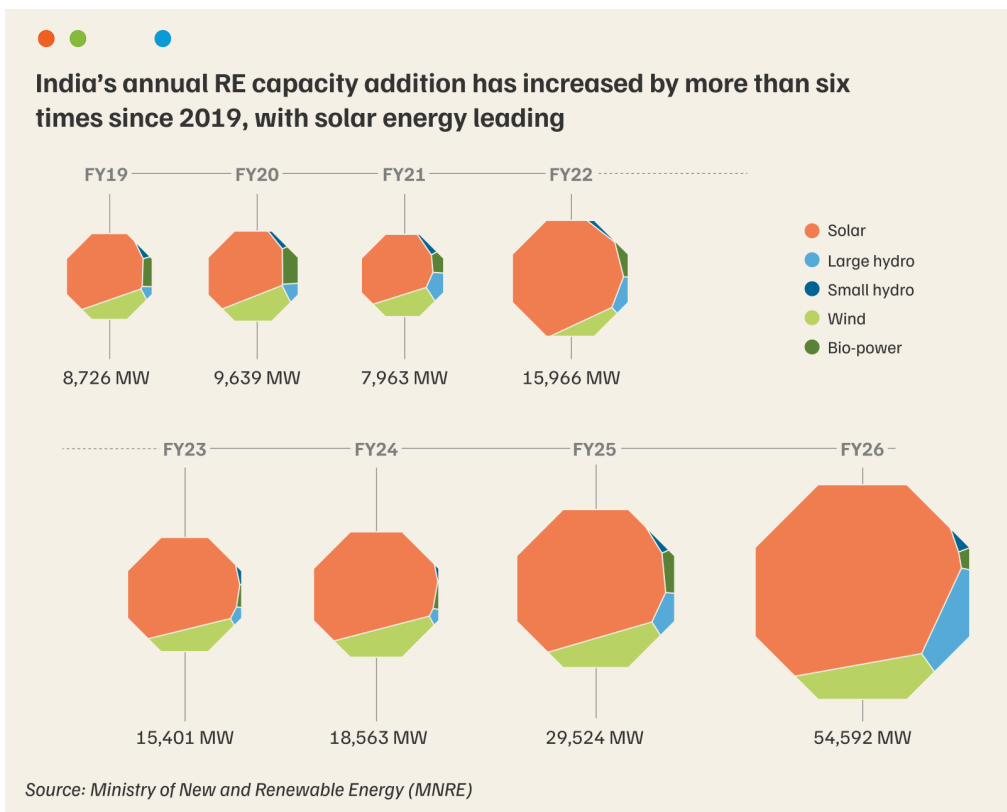
**PRESS RELEASE**

## India’s renewable energy generation increases by 20% with over 150 GW of large-scale RE under construction in FY26: CEEW-GFC Market Handbook

- ◆ India adds record 57.5 GW power capacity in FY26 — 1.73x the addition of FY25
- ◆ Battery storage tariffs touched a low of INR 1.23/unit; 37 storage tenders announced during the year
- ◆ Sovereign Green Bonds worth INR 20,000 crore issued through four 30-year tranches

**New Delhi, 12 May 2025:** India’s renewable energy (RE) generation rose 20 per cent in FY26, while coal and lignite-based generation declined 4.3 per cent year-on-year, according to the latest annual edition of the *Market Handbook* released today by the Council on Energy, Environment and Water’s Green Finance Centre (CEEW-GFC). The *Handbook* notes that India added a record 57.5 GW of net power generation capacity in FY26, up from 33.2 GW in FY25. RE (including large hydro) accounted for 54.6 GW (~95 per cent) of the net capacity addition. Solar (grid-scale and rooftop) led RE additions with 44.6 GW, followed by wind at 6.1 GW, taking India’s total installed capacity to ~533 GW, with RE (including large hydro) contributing nearly 52 per cent.

CEEW-GFC’s *Handbook* tracks key developments in India’s electricity, and green finance sectors and their role in the country’s broader energy transition.



### RE pipeline, tenders and auctions

As of March 2026, ~151 GW of RE capacity (including large hydro but excluding rooftop solar) is under construction, with ~90 GW, ~29 GW, ~19 GW, and ~13 GW coming from solar, wind, hybrid, and large hydro respectively. On the tenders announced front, Renewable Energy Implementing Agencies (REIAs) issued 10.4 GW of renewable energy tenders. Auctions by REIAs and state agencies accounted for 14.25 GW, with innovative formats accounting for 76 per cent of auctioned capacity, according to the *CEEW-GFC Handbook*.

The *Handbook* identifies FY26 as a key inflection point for energy storage, with 37 storage tenders announced, including 31 for Battery Energy Storage Systems (BESS), underscoring storage's critical role in India's clean energy transition. Andhra Pradesh's APTRANSCO tender set a new record-low tariff of INR 1.23 per unit for two-hour BESS, 33 per cent below the FY25 benchmark.

**Gagan Sidhu, Director, CEEW-GFC, said,** "India's energy transition continues to gather pace, with RE accounting for ~95 per cent of net capacity addition in FY26 and RE generation seeing a 20 per cent increase over the previous year. CEEW-GFC's *Market Handbook* shows that this year, we saw a more competitive market, with a 35 per cent market concentration. However, at the same time the sector is also at an important crossroads. FDI saw a 26 per cent drop in the first three quarters of FY26 compared to the same period in FY25. In light of the multiple global disruptions playing out, it is all the more critical that we keep on track to achieve our RE targets."

### **DISCOM health and smart meters**

The *CEEW-GFC Handbook* highlights a marked improvement in the financial health of India's power distribution companies (DISCOMs). Legacy dues owed to generating companies fell sharply to INR 4,109 crore as of February 2026, down from INR 49,451 crore in January 2024, highlighting the success of late payment surcharge rules. ~65 million smart consumer meters have been installed across the country.

### **Green finance**

Sovereign Green Bonds worth INR 20,000 crore were issued through four equal 30-year tranches at a coupon rate of 6.98 per cent. Cumulative Foreign Direct Investment (FDI) in RE for the first three quarters of FY26 stood at USD 2.5 billion, with solar energy attracting 79 per cent of these flows.

The *CEEW-GFC Market Handbook for FY26* can be accessed [here](#).

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### **About CEEW-GFC**

The CEEW Green Finance Centre (CEEW-GFC) is a special initiative of the Council on Energy, Environment and Water (CEEW), one of Asia's leading think tanks. CEEW-GFC acts as a non-partisan observer and catalyst that aims to bridge green financing gaps by addressing financing bottlenecks and enhancing the integration of green considerations in financial decision-making. Its approach is multi-pronged: tracking market trends, publishing research and analysis, developing financial solutions, offering technical assistance, and fostering coherence between policymakers, regulators, financial institutions, and industry. [www.ceew.in/gfc](http://www.ceew.in/gfc)