

# India Ranks Third Globally in Renewable Energy Installed Capacity

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India has achieved a significant milestone in its energy transition journey by securing the third position globally in renewable energy installed capacity, according to Renewable Energy Statistics 2026 released by the International Renewable Energy Agency (IRENA).

## India's Renewable Energy Growth (FY 2025-26)

India's renewable energy sector has witnessed unprecedented expansion in recent years, driven by strong policy support, large-scale investments, and rapid capacity additions. FY 2025-26 marks a historic phase in this transition, with record growth in non-fossil fuel capacity and increased integration of renewables into the national grid.

- India achieved a total non-fossil fuel capacity addition of **55.3 GW** in **FY 2025-26**, marking the highest annual increase ever recorded in the country's renewable energy history.
- In July 2025, India recorded its highest-ever share of renewable energy in electricity generation, with renewables meeting 51.5% of total electricity demand of 203 GW.
- As on 31 March 2026, India's total installed non-fossil fuel capacity stood at 283.46 GW.

- In June 2025, India achieved a major milestone by reaching 50% of cumulative installed electricity capacity from non-fossil fuel sources, accomplishing this target five years ahead of its 2030 NDC commitment under the Paris Agreement.
- In line with the **Prime Minister's** announcement at COP26, India is working towards achieving 500 GW of installed non-fossil fuel electricity capacity by 2030, reinforcing long-term climate and energy goals.
- Of the total non-fossil capacity of 283.46 GW, renewable energy accounts for 274.68 GW, while nuclear power contributes 8.78 GW, indicating a diversified clean energy mix.
- The renewable energy capacity of 274.68 GW includes:
  - **Solar power:** 150.26 GW
  - **Wind power:** 56.09 GW
  - **Bioenergy:** 11.75 GW
  - **Small hydro power:** 5.17 GW
  - **Large hydro power:** 51.41 GW
- India now ranks 3rd globally in renewable energy installed capacity, according to IRENA Renewable Energy Statistics 2026 (data up to December 2025).
- Global comparison of renewable energy installed capacity shows:
  - China: 2258.02 GW
  - USA: 467.92 GW
  - India: 250.52 GW
  - Brazil: 228.20 GW
  - Germany: 199.92 GW
  - Japan: 134.53 GW
  - Canada: 110.51 GW
  - World total: 5149.28 GW
- The non-fossil capacity addition of 55.29 GW in FY 2025-26 is the highest annual increase so far, significantly higher than 29.5 GW added in 2024-25.
- Within this expansion, renewable energy accounted for 44.61 GW of new capacity addition.
- Distributed Renewable Energy (DRE) emerged as a key driver, contributing 16.3 GW (36%) of solar additions, including:
  - 7.6 GW under **PM-KUSUM scheme**
  - 8.7 GW from rooftop solar installations
- Wind energy recorded a historic achievement with 6.05 GW of capacity addition in FY 2025-26, the highest ever in a single year, surpassing 4.15 GW added in the previous year.
- India's renewable energy capacity has grown significantly over the last decade, increasing 3.59 times since 2014, from 76.38 GW (2014) to 274.68 GW (2026).
- Solar energy has witnessed exponential growth, increasing 53.28 times since 2014, from 2.82 GW to 150.26 GW, making it the fastest-growing renewable source in India.
- Wind energy capacity has increased 2.66 times since 2014, from 21.04 GW to 56.09 GW.
- Manufacturing capacity has also expanded significantly:
  - Wind turbine manufacturing capacity increased from 10 GW (2014) to ~24 GW (2026)
  - Solar module manufacturing capacity increased from 2.3 GW (2014) to ~172 GW (2026)

## Key Policy Implemented by the Ministry of New & Renewable Energy (MNRE) in FY 2025-26

India has strengthened its renewable energy transition in FY 2025-26 through a series of targeted policy interventions aimed at cost reduction, domestic manufacturing, grid efficiency, and regulatory clarity.

- GST on renewable energy devices and components reduced from 12% to 5% (Sept 2025), lowering costs for developers, DISCOMs, and rooftop solar users.
- Basic Customs Duty exemption extended on capital goods for lithium-ion cell manufacturing (Feb 2026-March 2028), boosting domestic battery production and reducing import dependence.
- Renewable Energy Equipment Import Monitoring System (REEIMS) portal launched (Oct 2025) for real-time tracking of imports, enhancing transparency and compliance.
- Revised Renewable Consumption Obligation (RCO) framework under the Energy Conservation Act, 2001, integrating state RPO targets into a unified system.
- CERC (Sharing of ISTS Charges and Losses) Fourth Amendment Regulations, 2025 introduced a waiver trajectory for RE and BESS projects, including extensions for force majeure delays.
- CERC (Connectivity and General Network Access) Third Amendment Regulations, 2025 enabled non-solar hour connectivity to improve transmission network utilisation.
- Guidelines for Virtual Power Purchase Agreements (VPPA) issued, providing flexibility for designated consumers to meet RCO targets.
- Pilot scheme for Contract for Difference (CfD) for 500 MW RE projects launched to ensure stable revenues while maintaining market-based pricing.
- National Policy on **Geothermal Energy** (Sept 2025) introduced to promote exploration and commercial use of geothermal resources.
- Jaiv-Urja Mitra programme launched for **skill development** across the biomass and compressed biogas value chain.
- Revised Quality Control Order (QCO) 2025 issued for solar components, updating standards for PV modules, batteries, inverters, and efficiency benchmarks.

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