

Press release

Solar generation rises 37% year-on-year in Q1 FY2026–27

New Delhi, 31 July 2026 – Solar energy supplied more than one in every ten units of electricity generated in India during the April-June quarter (Q1 FY2026-27), marking a milestone in the country's power transition, according to the [Centre for Research on Energy and Clean Air \(CREA\)](https://energyandcleanair.org)'s latest *Quarterly Energy Snapshot for India*. The quarter also recorded India's highest-ever electricity generation at 524 billion units (BU), a 9% increase over the same period last year.

Solar remained India's fastest-growing source of electricity generation, increasing by 37% year-on-year to 57 BU and accounting for 10.9% of total electricity generation, the first time it has crossed the 10% threshold during the April-June quarter. Solar also contributed 36% of the increase in electricity generation, up from 11% in Q1 FY2024–25, reflecting its growing role in meeting rising electricity demand.

Although coal and lignite continued to supply around 70% of electricity generation, their contribution to generation growth declined from 71% in Q1 FY2024–25 to 68% in Q1 FY2026–27 as solar met an increasing share of incremental electricity demand. Unlike coal generation, which broadly returned to Q1 FY2024–25 levels after the unusually weak demand conditions in Q1 FY2025–26, solar maintained rapid growth across both years, indicating a structural shift towards solar meeting a larger share of incremental electricity demand.

Electricity demand also reached new highs during the quarter, with national peak demand climbing to a record 271 GW on 21 May 2026, around 12% higher than the same period last year. On 61 of the 91 days during the quarter, daily peak demand occurred during solar generation hours, demonstrating the increasing role of solar in meeting India's daytime electricity demand.

On days when peak demand occurred after sunset, battery energy storage systems also supported the grid, contributing up to 4.1 GW, equivalent to around 1–1.8% of national demand during nighttime peaks, showing that battery storage is now playing an operational role in India's electricity system.

India's installed power capacity reached 549 GW by the end of June 2026, with non-fossil sources accounting for 54% of the installed capacity, exceeding fossil-fuel capacity. Renewable energy continued to dominate capacity additions during the quarter, with



approximately 13 GW of renewable capacity added compared with 2.26 GW of thermal capacity.

Despite record electricity demand and generation during the quarter, coal generation remained broadly comparable to Q1 FY2024–25 levels, while coal plant load factors remained below Q1 FY2024–25 levels. At the same time, solar maintained rapid growth and battery storage began contributing to nighttime peak demand, highlighting the changing role of thermal power in India's electricity system.

'India is demonstrating that renewable energy is reliable and can be deployed at scale. The next challenge is ensuring the grid can fully utilise renewable electricity. Expanding transmission networks, accelerating battery storage and improving the operational flexibility of the existing coal fleet will be essential. As the power system evolves, future decisions on new coal capacity should be carefully evaluated alongside investments in grid flexibility and better utilisation of existing thermal assets,' said Manoj Kumar, India Analyst at CREA.

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Note: All data used in this assessment has been sourced from GRID-INDIA, Central Electricity Authority (CEA), and the National Power Portal (NPP).

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