



MNRE Calls for Calibrated, Well-Informed Financing Across the Solar Manufacturing Ecosystem to Drive Sustainable Industry Growth

MNRE Reaffirms Commitment to Strengthening India's Position in the Global Solar Value Chain

No Advisory Has Been Issued to Pause or Halt New RE Financing

Posted On: 07 DEC 2025 11:00AM by PIB Delhi

India has already achieved 50% of its installed electricity capacity from non-fossil fuel sources, five years ahead of the target set under its Nationally Determined Contributions to the Paris Agreement.

As of 31 October 2025, the installed capacity from non-fossil sources stands at about 259 GW, with 31.2 GW added in the current financial year up to October 2025.

At several places it is being reported that Ministry of New & Renewable Energy (MNRE) has issued advisory to lenders to pause fresh financing to Renewable Energy Projects amid significant overcapacity concerns.

It is hereby clarified that MNRE has not issued any advisory to Financial Institutions for stopping lending to either renewable energy power projects or to renewable energy equipment manufacturing facilities.

However, MNRE, has circulated to Department of Financial Services and NBFCs like PFC, REC and IREDA, the status of present installed domestic manufacturing capacities across various sectors of solar PV manufacturing, including solar modules and upstream stages like solar cells, ingots-wafers, polysilicon as well as ancillary equipment like solar glass and aluminium frames, so that the financial institutions can adopt a calibrated and well-informed approach while evaluating proposals for financing any manufacturing facility in solar PV manufacturing sector and explore and expand their solar PV manufacturing portfolio to upstream stages like solar cells, ingots-wafers and polysilicon as well as solar module ancillaries like solar glass and aluminium frames, etc. as well, rather than being limited to financing solar PV module manufacturing facilities alone.

The Government of India is committed to make India self-reliant in solar PV manufacturing and establish the country as a major player in the global value chain. This commitment is supported through a comprehensive set of initiatives, including the PLI Scheme for High Efficiency Solar PV Modules and measures to provide a level playing field for the Indian manufacturers. The catalytic effect of these interventions has resulted in an expansion in solar module manufacturing capacity, from just 2.3 GW in 2014 to around 122 GW enlisted in MNRE's Approved List of Models and Manufacturers (ALMM) today.

This expansion underscores the success of Indian solar PV manufacturing story through the collective efforts of industry, various State Governments and the Government of India, while also reinforcing India's commitment to achieving 500 GW of non-fossil fuel capacity by 2030 and contributing meaningfully to global decarbonization efforts. MNRE remains committed to further strengthening the solar manufacturing ecosystem through continued policy support, infrastructure development, and innovation. The Ministry will continue engaging with stakeholders to ensure India's solar journey remains inclusive, competitive, and future ready.

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(Release ID: 2199964) Visitor Counter : 3128
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