

**Indian Renewable Energy Sector** 

Consolidation of players likely in solar module manufacturing industry; vertically integrated entities expected to benefit in long run

**NOVEMBER 2025** 



## **Agenda**

















Highlights

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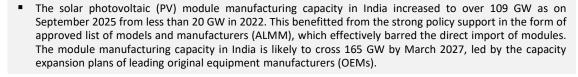
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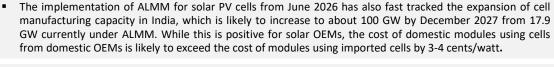
Overcapacity in solar module manufacturing in India with capacity expected to cross 165 GW by March 2027. Cell manufacturing capacity is likely to increase to 100 GW by December 2027 based on plans announced by key players.

The profitability for solar OEMs is likely to moderate in the module segment due to competitive pressures; while the ability to achieve timely stabilisation after commissioning remains critical for the cell line segment.





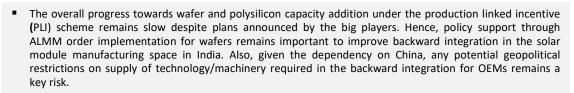






■ The annual solar module production is expected to be higher than the projected annual solar capacity installation of 45-50 gigawatt direct current (GWdc). Further, the recent imposition of US tariffs has redirected modules from the export market to the domestic market. Hence, the overcapacity in module production will likely lead to consolidation of smaller/pureplay module players. However, the vertically integrated manufacturers will benefit over the long term due to greater control over the supply chain.







■ The solar PV module supply chain is dominated by China, with over 90% share in global manufacturing capacity across polysilicon and wafer, over 85% share in cell and around 80% share in modules. The global module manufacturing capacity is estimated to rise to over 1,400 GW in 2025 from about 600 GW in 2022, leading to an oversupply in the market and low module prices. This in turn has lowered the profitability of leading Chinese OEMs. A sustained period of low profits could lead to a consolidation in the industry.



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