ISMA
INDIAN SOLAR MANUFACTURERS ASSOCIATION

INDIA'S RESIDENTIAL ROOFTOP SOLAR MARKET

Market Sizing & Growth Outlook



About ISMA

Indian Solar Manufacturers Association (ISMA) is the apex industry body representing leading backward-integrated solar PV manufacturers ISMA engages actively with policymakers, regulators, and industry stakeholders to enable policy frameworks that support domestic value addition, technology advancement, and long-term competitiveness of India's solar manufacturing ecosystem. ISMA's membership reflects significant cumulative capital investments in manufacturing capacity and supply chains, underscoring the industry's commitment to building a resilient and globally competitive solar manufacturing base in India.

Reviewed By

Vinay Rustagi
Chief Business Officer,
Premier Energies
Vice President, ISMA

Amit Manohar
Secretary General, ISMA

Prepared By

Varun Pandita
Senior Manager, Policy & Research,
ISMA

Sanya Katyal
Senior Manager, Corporate Strategy,
Premier Energies

Neha Garg
Analyst, Corporate Strategy,
Premier Energies

OUR MEMBERS

adani
alpex POWER FOREVER
First Solar
EMMVEE
JAKSON SOLAR
JUPITER TOWARDS A GREEN FUTURE
Premier Energies
RenewSys let there be light
ReNew
Reliance Industries Limited
TATA POWER SOLAR

Table of Contents

Executive Summary 03

01 Introduction 04

02 Policy Landscape 05

03 Financial Incentives 06

3.1 Financial attractiveness 07

3.2 Financing options 08

04 Market Potential – Residential 09

05 The Subsidy-Independent Residential Market – ~8 GW 11

06 The Affordability Effect 13

07 Drivers and Challenges 14

08 Way Forward 15

List of Figures & Tables

Figure 1: India rooftop solar – cumulative installed capacity 04

Figure 2: Evolution of India's rooftop solar policies 05

Figure 3: State-wise incentive stack for a 3-kW residential system 06

Figure 4: 3-kW residential rooftop economics in India's top RTS adoption markets 07

Figure 5: The Affordability Effect – high-tariff states pay off; the biggest markets need the subsidy 13

Figure 6: ISMA Analysis: Residential rooftop solar forecasted demand, 2026 - 2030 15

Table 1: Residential rooftop solar potential: scenario sensitivity analysis 10

Table 2: Derivation of the subsidy-independent residential market (~8 GW) 12

Table 3: UP consumption-slab evidence anchoring the 26% high-use-home assumption in the 8 GW estimate 12

EXECUTIVE SUMMARY



India's rooftop solar story is about how quickly a large verifiable opportunity can be converted into installed capacity, and how much of it can stand on its own economics. As on 30 June 2026, India had installed 30,115 MW of rooftop solar, with PM Surya Ghar: Muft Bijli Yojana adding 13,462 MW as of July 2026 and reshaping the residential market.

This report assesses India's **residential** rooftop solar potential at approximately **132 GW** (central estimate; range 111 - 153 GW). With roughly 17 GW of residential capacity already installed, about **115 GW** of residential headroom remains. The estimate is derived bottom-up from national electricity-consumption data, government housing-suitability surveys and real distribution-utility tariffs. Of this residential market, around **8 GW** pays for itself without subsidy - mostly large consumption homes in states where power is expensive. The rest still needs support under PM Surya Ghar Muft Bijli Yojana.

The gap between this potential and what is installed today is one of enablement, and the trend is already improving. ISMA estimates annual residential rooftop installations of 9-15 GW between 2026 and 2030, reflecting the market's transition towards sustained scale-up. PM Surya Ghar Muft Bijli Yojana has unlocked residential demand at scale, creating opportunities across the rooftop solar ecosystem and supporting investment, capacity and employment. The key priority now is policy continuity beyond March 2027. Early clarity on the next phase, including PM Surya Ghar 2.0, will be critical to sustain demand, avoid disruption and give the industry the confidence to plan investments and capacity.

The report's key finding is what we call the **Affordability Effect**. By assessing state-level payback periods without subsidy, the analysis shows where the residential rooftop solar market is commercially viable on its own - and where it still needs policy support. High-tariff states like Maharashtra and Kerala pay back quickly, while larger residential markets like Uttar Pradesh, Gujarat and Tamil Nadu have lower tariffs and longer payback periods. Yet installations under PM Surya Ghar Muft Bijli Yojana are rising fast in these low pay back states as the scheme is closing the payback gap. It is bringing India's largest and lowest-priced power markets within reach. This shows in the deployment data: around 60% of the capacity installed under PM Surya Ghar Muft Bijli Yojana sits in states where rooftop solar would not yet pay for itself unaided.

[1] MNRE, Physical Achievements in Rooftop Solar (as on 30-06-2026).

1. INTRODUCTION



As on 30th June 2026 India's grid-connected rooftop solar capacity stands at 30.11 GW[2], of which 13.45 GW has been added under PM Surya Ghar Muft Bijli Yojana since February 2024 (as on July 2026). The total residential rooftop solar capacity now stands at 17 GW overtaking C&I rooftop segment for the first time.

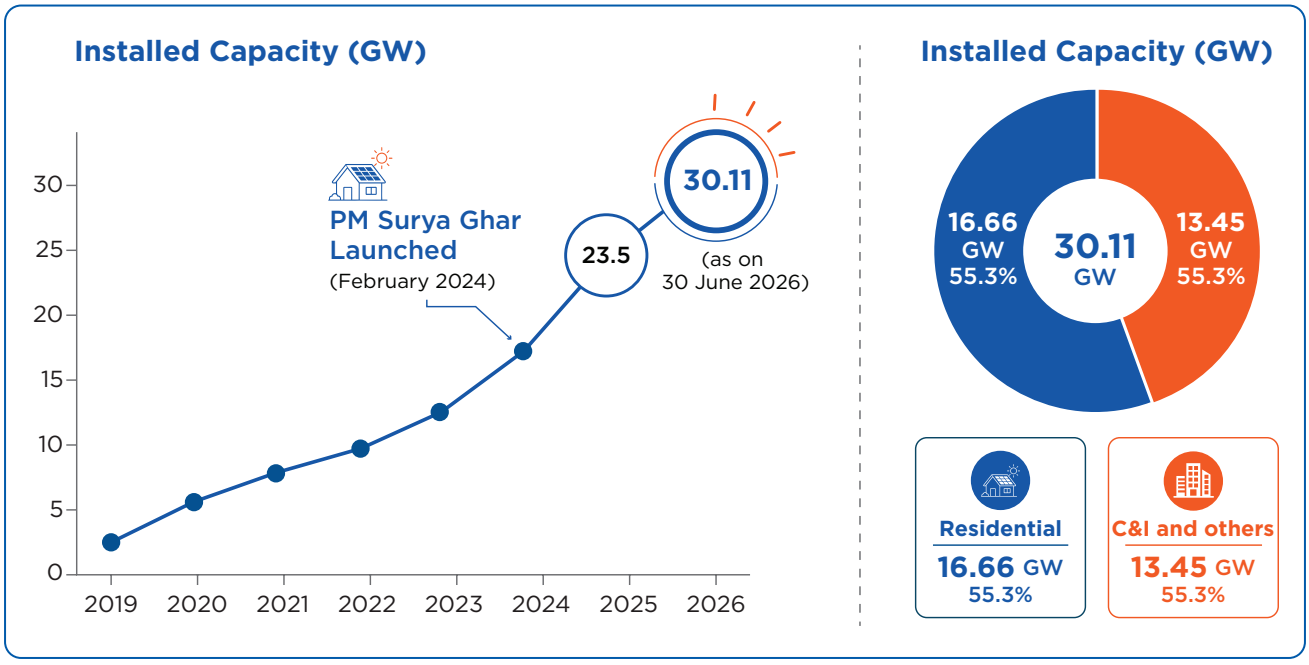


Figure 1: India rooftop solar - cumulative installed capacity

[2] MNRE, Physical Progress in Rooftop Solar (as on 30-06-2026).

2. POLICY LANDSCAPE

India's residential rooftop solar market is undergoing a structural transformation, underpinned by significant evolution in policy ambition, framework and execution. Over the past decade, the policy framework has evolved from early-stage market enablement under the National Solar Mission to a mass-market deployment strategy centred on household adoption, subsidy-backed affordability and streamlined implementation under the PM Surya Ghar: Muft Bijli Yojana (PMSGY)

This policy evolution has materially improved the investment case for residential rooftop solar, transforming it from a niche consumer-led investment into a mainstream distributed energy solution supported by central and state governments, DISCOMs and institutional financing channels.

Free Net metering has proved a key enabler of residential adoption, allowing households to offset consumption with self-generated power and thereby improving project economics and payback periods. The continued emphasis on net-metered systems under PM Surya Ghar, together with annual settlement and the gradual adoption of group and virtual net metering across states, has expanded the accessibility and financial attractiveness of rooftop solar for residential consumers[3].

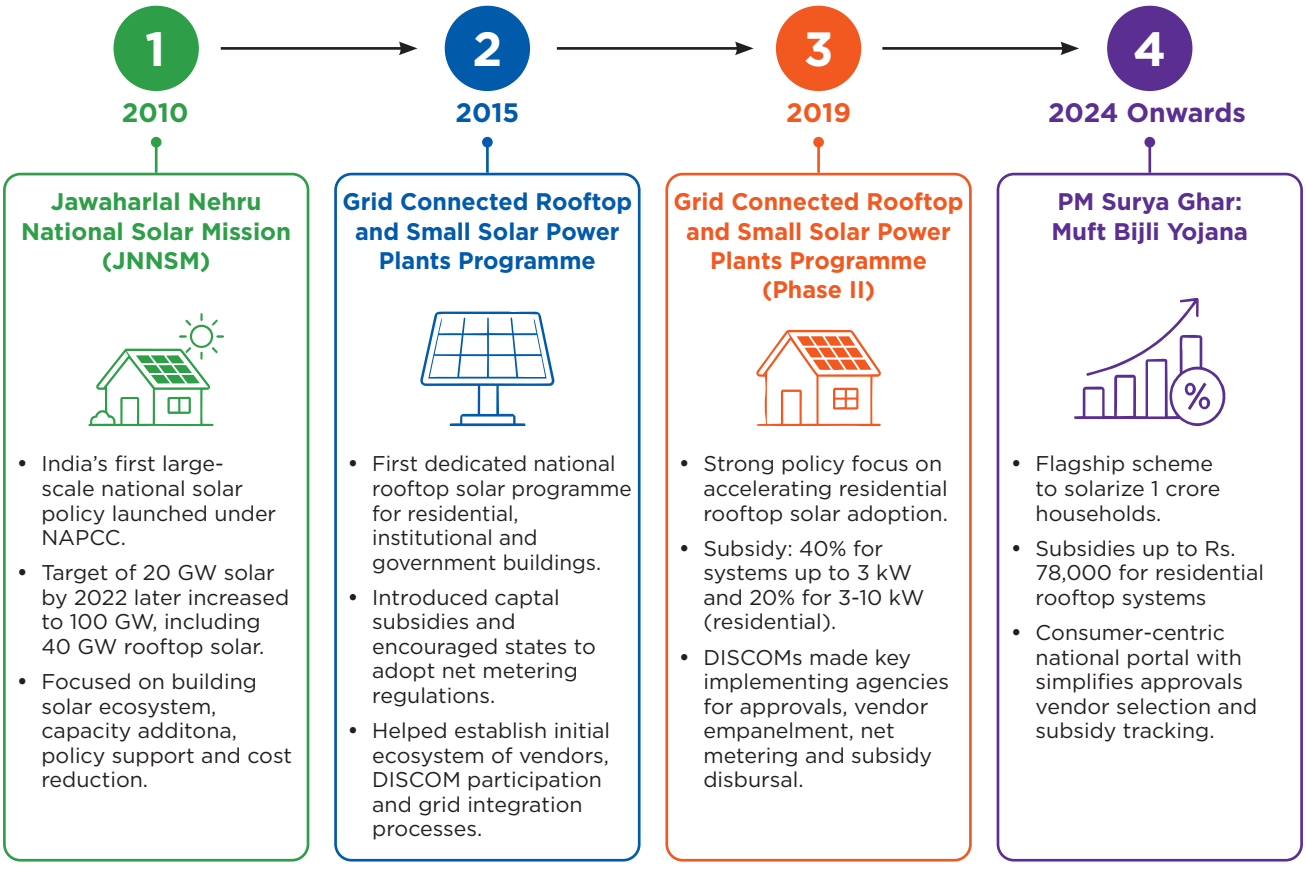


Figure 2: Evolution of India's rooftop solar policies

[3] Policy framework and net-metering provisions: MNRE, PM Surya Ghar: Muft Bijli Yojana Operational Guidelines; National Solar Mission; and applicable SERC net-metering, group- and virtual-net-metering regulations.

3. FINANCIAL INCENTIVES

The PMSGY, launched in February 2024 with an outlay of INR 75,021 crore, has fundamentally restructured the subsidy regime. Central Financial Assistance for residential rooftop systems is now front-loaded and capped: INR 30,000 for the first kW, INR 60,000 for 2 kW and INR 78,000 for systems of 3 kW or larger. Special category states and union territories - Uttarakhand, Himachal Pradesh, Jammu & Kashmir, Ladakh, Andaman & Nicobar Islands, Lakshadweep and the North-Eastern states - receive a 10% top-up, capping the subsidy at INR 85,800. The subsidy is disbursed directly to the consumer's bank account, eliminating the channel risk that plagued the earlier rooftop incentive scheme[4].

A handful of states provide incremental capital support, materially shifting the economics in their favour. Uttarakhand offers INR 1,36,800 (central CFA of INR 85,800 plus a state subsidy of INR 17,000/kW), bringing the consumer outlay down to INR 68,600 for a 3 kW system — the lowest in our assessment. Ladakh offers the second-highest top-up (up to INR 50,000 per household), followed by Assam and Uttar Pradesh at INR 15,000/kW (the latter capped at INR 30,000), Delhi at INR 10,000/kW (capped at INR 30,000), and Tamil Nadu with a flat INR 20,000 incentive. Rajasthan's additional INR 17,000 subsidy applies only to systems of at least 1.1 kW under the 150 Unit Nishulk Bijli Yojana[5].

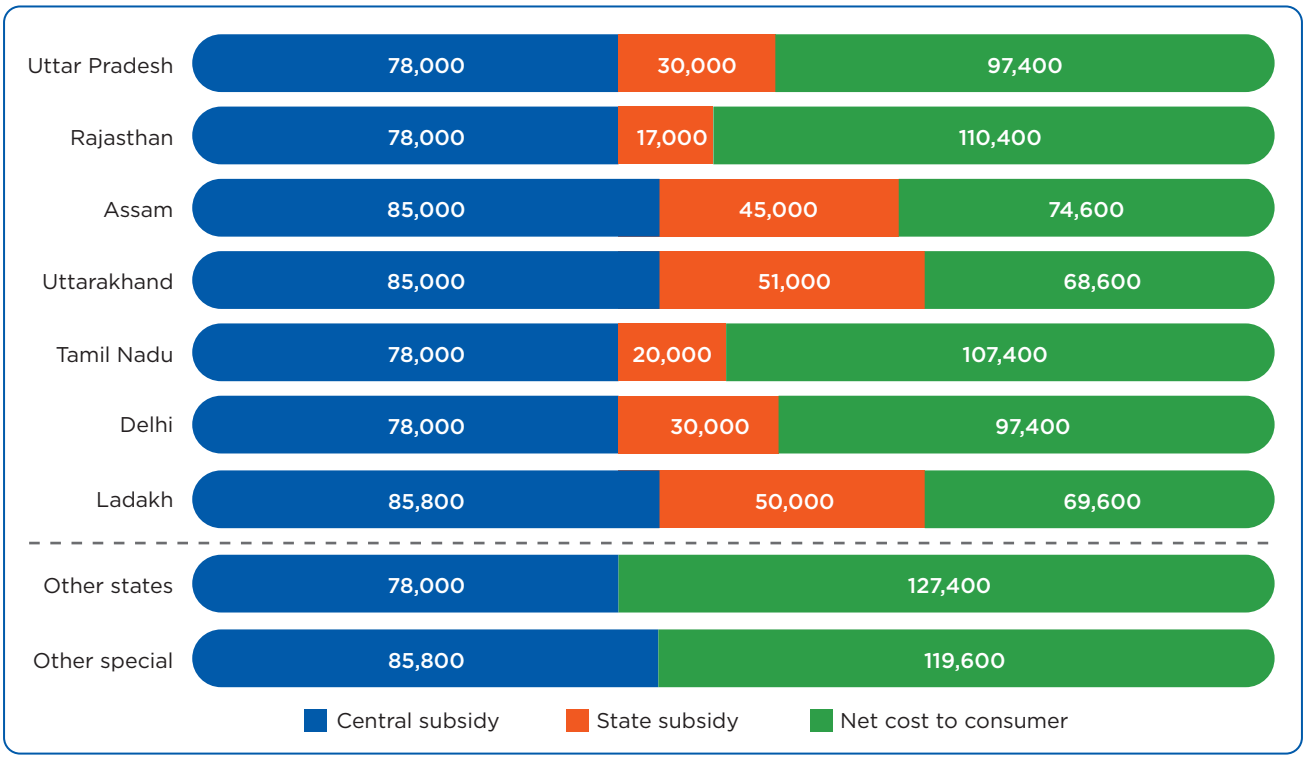


Figure 3: State-wise incentive stack for a 3-kW residential system

Source: PMSGY guidelines, state solar policies, Centre for Social and Economic Progress

[4] Central Financial Assistance structure: PM Surya Ghar Operational Guidelines, MNRE (₹30,000 / ₹60,000 / ₹78,000 for 1 / 2 / 3-or-more kW; 10% top-up for special-category States and UTs, capped at ₹85,800).

[5] State-level capital subsidies compiled from State solar policies and notifications - Uttarakhand, Ladakh, Assam, Uttar Pradesh, Delhi, Tamil Nadu and Rajasthan (150 Unit Nishulk Bijli Yojana).

Implementation remains the principal operational challenge. As of August 2026, around 77.85 lakh households had registered under the scheme and installations completed represented 50% of the FY27 target of 1 crore. Gujarat leads installed capacity at 2,924 MW, followed by Maharashtra, Uttar Pradesh, Kerala and Rajasthan; these five together account for 69% of the 14,953 MW installed under the scheme[6].

3.1 Financial attractiveness

Residential rooftop solar economics remain compelling, although the drivers of attractiveness have evolved materially since 2021. The principal driver of attractiveness today is the deep subsidy stack under the PMSGY, layered with state-level capital incentives, alongside a sharp recalibration of expectations around the tariff trajectory itself. Based on our assessment, a typical 3 kW residential rooftop system, after central and state subsidies, pays back in just 2 to 6.7 years across the ten states with the highest rooftop solar adoption in India[7].

The slab structure within these states continues to widen the gap between low and high consumption households. For instance, in Maharashtra, with slab tariffs ranging INR 5.56-19.13/ kWh, households consuming 500 kWh per month are likely to achieve savings that are more than 15% higher than those estimated using the blended average tariff of INR 12.73/ kWh.

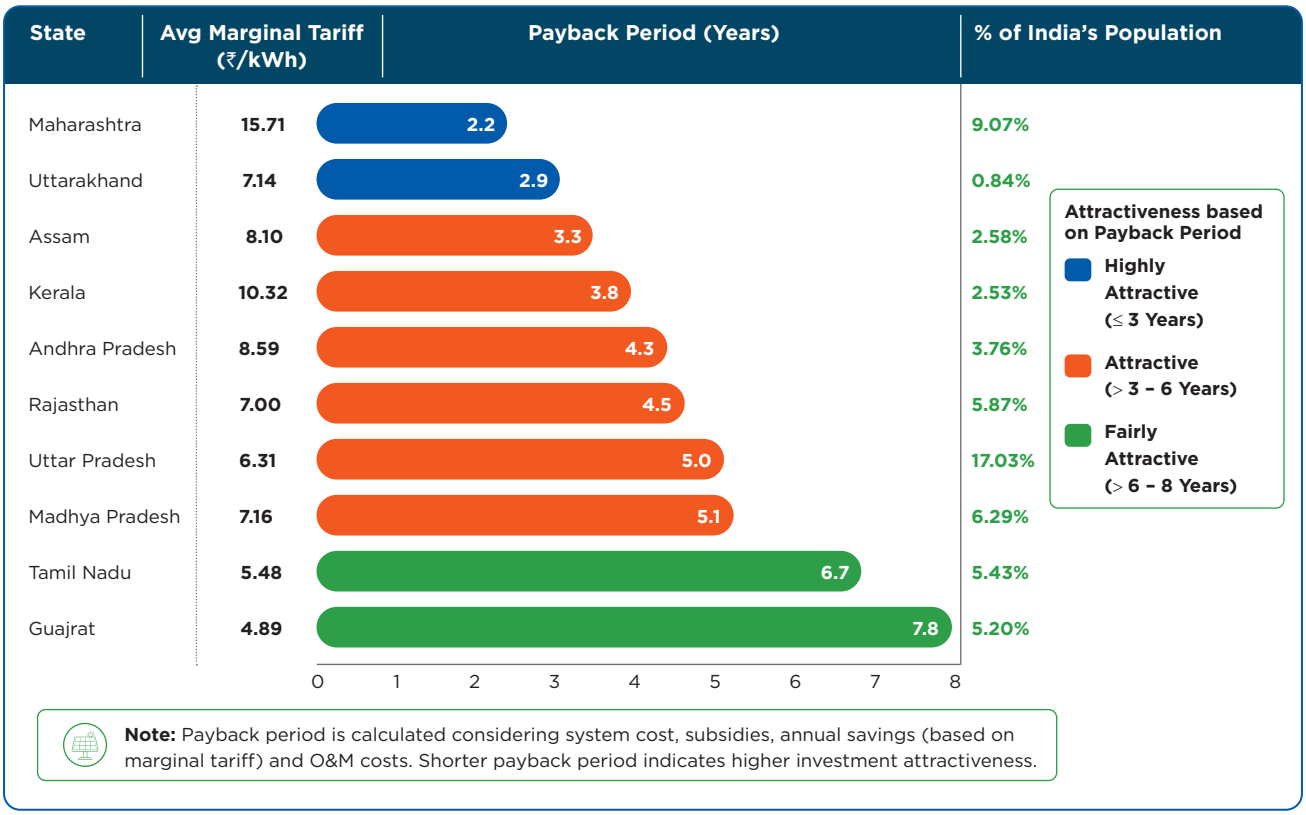


Figure 4: 3-kW residential rooftop economics in India's top RTS adoption markets

Source: *PMSGY guidelines, state solar policies and tariff orders, Centre for Social and Economic Progress, BNEF, Global solar atlas, Internal research*

Assumptions: *Gross 3 kW system cost INR 2,05,400 (INR 68,467/ kW), monthly power consumption of 500 kWh, discount rate 10%, tariff escalation 4.6% per annum, O&M cost INR 6,000 in Year 1 escalating at 6% per annum, degradation 1% per annum, project life 20 years, state-specific specific yields (1,367–1,450 kWh/ kWp/ year). Inverter replacement and grid export at feed-in tariff not modelled.*

[6] Implementation and installed-capacity figures: MNRE / National Portal for Rooftop Solar (PM Surya Ghar dashboard), as on August 2026.

[7] Payback and tariff analysis: State SERC tariff orders FY2026-27; residential tariff trajectory from BNEF; specific yields from Global Solar Atlas

End-to-end installed cost for a residential 3 kW rooftop system today ranges INR 1.50-2.10 lakh (INR 50,000-70,000/ kW), with the spread reflecting module choice, inverter brand and balance of system quality. Our base case adopts INR 2.05 lakh (INR 68,467/ kW), reflecting BIS-certified, DCR-compliant modules and a Tier-1 string inverter the typical configuration deployed by national portal empanelled vendors. Current system pricing reflects prevailing domestic sourcing requirements, applicable import duties and evolving technology preferences across the residential rooftop solar value chain. Premium installations incorporating bifacial modules, micro-inverters, or pergola structures typically command a 25-40% premium over standard empanelled configurations[8].

3.2 Financing options

The government has expanded access to financing options for residential rooftop solar systems, lowering upfront costs and improving affordability through flexible repayment mechanisms. Major public sector banks, including Bank of Baroda, Bank of India, Punjab National Bank, State Bank of India, Canara Bank, Union Bank of India and UCO Bank offer dedicated loan products for residential installations. Loan eligibility is generally linked to system capacity, with households able to avail up to INR 2 lakh for systems up to 3 kW and up to INR 6 lakh for systems between 3 kW and 10 kW.

These loans are typically offered at concessional interest rates, currently at 6% p.a with flexible repayment terms up to 10 years and financing for 80-90% of project costs. With minimal collateral requirements and no prepayment penalties in most cases, these loans improve affordability, especially for middle-income households. Alongside public sector banks, NBFCs and fintech firms such as CreditFair, Ecofy, Paytm, Electronica Finance and Mysun have expanded rooftop solar financing through faster digital solutions. These lenders offer collateral-free loans covering 70-100% of system costs though at higher interest rates (around 8.5-14%) and shorter repayment tenures of 3-5 years. Overall, expanding financing options support residential rooftop solar adoption[9].



[8] System cost benchmarks: benchmark costs published on the MNRE National Portal for Rooftop Solar for empanelled vendors, cross-checked against ISMA member inputs on prevailing residential system pricing. The base case of ₹68,467/kW for a 3 kW system is inclusive of BIS-certified DCR-compliant modules, a Tier-1 string inverter, balance of system, structure and installation.

[9] Financing terms: dedicated rooftop-solar loan products of public-sector banks (SBI, PNB, Bank of Baroda, Canara Bank, Union Bank of India, Bank of India, UCO Bank) and NBFC / fintech lenders; PM Surya Ghar financing framework.

4. MARKET POTENTIAL - RESIDENTIAL



ISMA assesses residential rooftop potential bottom-up from national electricity consumption rather than from rooftop area. India's residential electricity consumption of 375 BU[10], divided by a representative specific yield of 1,250 kWh/kW[11], sets a consumption-bound ceiling of about 300 GW - the capacity that would be needed to meet all residential demand. Because India's technical rooftop potential (637 GW) far exceeds this envelope, rooftop area is not the binding constraint.

This ceiling is then narrowed to households that can realistically host a system, through three gates. Drawing on the NSS 76th Round (2018), 85.0% of households own their dwelling and 83.3% occupy a pucca (solid-roof) structure[12] - the roof-relevant measure for mounting panels. NFHS-5 applies a stricter, floor-inclusive definition giving 60.3%; the central case blends the two at 71.8%. A third gate adjusts for multi-storey living: 12.9% of households occupy flats (31.3% urban, 3.4% rural), where roof area is shared across many dwellings. Flat households are counted at one-quarter weight - reflecting shared roofs, partially offset by group and virtual net metering for housing societies under PM Surya Ghar Muft Bijli Yojana. This is a conservative treatment: true high-rise buildings of five or more floors house only ~1.6% of Indian households, and the large majority of flat stock is low-rise, where society-level installations remain viable. Together, these gates leave about 55% of the ceiling as suitable in the central case.

Systems are then sized to meet about 80% of a household's annual consumption rather than all of it - reflecting sanctioned-load caps that block oversizing in some states, and the economics of self-consumption. The result is a residential market potential of approximately **132 GW**. A scenario range is reported below, driven by the choice of solid-roof definition.

[10] Energy Statistics India 2025, Table 6.8, Ministry of Statistics and Programme Implementation (MoSPI), Government of India.

[11] ISMA adopts a conservative 1,250 kWh/kW/year for market sizing, below indicative NISE / Global Solar Atlas values, to reflect real rooftop conditions — roof-pitch mounting, soiling and partial shading. Technical rooftop potential ~637 GW: CEEW, Mapping India's Residential Rooftop Solar Potential (2023).

[12] NSS 76th Round (2018), 'Drinking Water, Sanitation, Hygiene and Housing Condition in India', Report No. 584, NSO, MoSPI - owner-occupied households 85.0% (Statement 20.1); pucca (solid-roof) structure 83.3%; average floor area 46.4 sq.m. Strict floor-inclusive pucca 60.3%: NFHS-5. Flats 12.9% (Statement 22.1, pp.148–150); households in 5+ storey buildings ~1.6% (Statement 21.3, pp.145–147).

Table 1: Residential rooftop solar potential: scenario sensitivity analysis

Scenario	Solid-roof (pucca) share	× Ownership 85%	Flat Adjustment	= Suitable share	300 GW × 80% = Potential
Conservative	60.3%	0.85 × 0.603	× 0.903	46.3%	300 × 0.463 × 0.80 = 111.1 GW
Central (headline)	71.8%	0.85 × 0.718	× 0.903	55.1%	300 × 0.551 × 0.80 = 132.3 GW
Aggressive	83.3%	0.85 × 0.833	× 0.903	63.9%	300 × 0.639 × 0.80 = 153.4 GW

Method & Sources

Ceiling (300 GW) = 375 BU annual residential consumption ÷ 1,250 kWh/kW yield. Consumption: Energy Statistics India 2025, MoSPI - corroborated by CEA General Review 2025 (369 BU domestic, <2% gap). Yield: NISE / Global Solar Atlas.

Suitable share = 85% homeownership × solid-roof (pucca) share. Pucca share: NSS 76th Round 2018 (83.3% roof-basis) & NFHS-5 (60.3% strict); Central = blended 71.8%. Ownership: NSS 76th Round 2018, Report 584.

Flat Adjustment (90.3%): Flats = 12.9% of households, counted at one-quarter weight for shared roofs: (1 − 0.129) + (0.129 × 0.25) = 0.903 (NSS Report 584, Statement 22.1)

Right-sizing (80%) = systems sized to cover ~80% of household annual use

Roof area is non-binding - average dwelling floor area of 46.4 sq.m (NSS 76th Round) and CEEW's 637 GW national rooftop solar potential



5. THE SUBSIDY INDEPENDENT RESIDENTIAL MARKET – 8 GW



A core question for industry is how much demand survives without Central Financial Assistance. ISMA assesses this state-by-state, running each state's real marginal residential tariff through its payback engine at full, unsubsidised system cost. A state qualifies where its tariff is high enough for a standard 3 kW system to recover its full cost within eight years, without any subsidy. That works out to a tariff of about ₹**7.8 per unit**.[13]

Across 14 states tested on real SERC tariffs - together covering roughly three-quarters of national residential demand - five clear the threshold and nine fall short. The five qualifying states are Maharashtra, Kerala, Telangana, Andhra Pradesh and Assam, together accounting for about 23% of national residential demand. Weighting these states by their demand share and applying the share of high-use homes within them yields a residential subsidy-independent market of approximately **8 GW**.

[13] ISMA residential rooftop payback model - gross system cost ₹2,05,400 (₹68,467/kW, pre-subsidy); specific yield 1,250 kWh/kW/yr; tariff escalation 4.57%/yr; O&M ₹6,000/yr escalating 6%/yr; degradation 1%/yr; 20-year life. The ₹7.8/unit threshold is the tariff at which a 3 kW system recovers its full unsubsidised cost within eight years. State tariffs from SERC tariff orders FY2025-27, supplemented by ISMA analysis of WBERC FY2025-26 (DVC, Case No. TP-104/22-23), OERC FY2026-27, KERC 2026-2028 (BESCOM LT-1) and TGERC FY2026-27. State demand weights: CEA General Review 2025, Table 9.3.

Table 2: Derivation of the subsidy-independent residential market (~8 GW)

Step	Factor	Calculation	Result
1	Residential Market Potential	From Section 4.0	132 GW
2	Qualifying State's Share	5 passing states' share of national residential demand (CEA Table 9.3) (Maharashtra, Kerala, Telangana, Andhra Pradesh and Assam)	23% = 30 GW
3	High Use Home Share	Homes above 300 units/month (measured below)	26% = 8 GW

Even within a qualifying state, not every household benefits equally: rooftop pays for itself fastest in homes that consume the most, because their higher slab tariffs and larger bills mean bigger monthly savings against the same system cost. The share of such high-use homes is measured here - distribution-utility slab data shows how much residential electricity they account for:

Table 3: UP consumption-slab evidence anchoring the 26% high-use-home assumption in the 8 GW estimate

Consumption Slab (Units/Month)	Electricity Sold (MU)	Share of Total
0-100	19698	33.8 %
101-150	10837	18.6 %
151-300	12697	21.8 %
Above 300 (High Use Case)	15069	25.8%
Total	**58301**	**100%**

Source: *PVVNL, True-up FY2024-25 / APR FY2025-26 / ARR FY2026-27 petition, Table 6-1 (Consolidated for all DISCOMs), p.152, filed before the Uttar Pradesh Electricity Regulatory Commission (UPERC).*

High-use homes account for 25.8% of residential electricity in Uttar Pradesh - India's largest residential market and, being a low-tariff state, a conservative test case. Telangana, a high-tariff state, brackets this figure: homes above 200 units account for 40.0% of domestic energy, while consumption above 300 units alone accounts for 9.3%[14]. The 26% used in this assessment is therefore anchored in the largest market and confirmed within the range of a second, opposite-tariff state.

Viability alone does not indicate opportunity - market size does. The chart below pairs each state's tariff position with its share of national residential demand.

[13] ISMA residential rooftop payback model - gross system cost ₹2,05,400 (₹68,467/kW, pre-subsidy); specific yield 1,250 kWh/kW/yr; tariff escalation 4.57%/yr; O&M ₹6,000/yr escalating 6%/yr; degradation 1%/yr; 20-year life. The ₹7.8/unit threshold is the tariff at which a 3 kW system recovers its full unsubsidised cost within eight years. State tariffs from SERC tariff orders FY2025-27, supplemented by ISMA analysis of WBERC FY2025-26 (DVC, Case No. TP-104/22-23), OERC FY2026-27, KERC 2026-2028 (BESCOM LT-1) and TGERC FY2026-27. State demand weights: CEA General Review 2025, Table 9.3.

[13] TGERC Tariff Order FY2026-27, Annexure IV, p.324 - homes >200 units = 40.0% of domestic energy; consumption in bands >300 units = 9.3%. Anchored on the NSSO household-consumption distribution.

6. THE AFFORDABILITY EFFECT: HIGH TARIFF STATES PAY OFF; THE BIGGEST MARKETS NEED THE SUBSIDY

Only five states have power expensive enough for rooftop solar to pay for itself without a subsidy, and those five hold just 23% of India's home electricity use. The big markets are all on the other side of the line. Uttar Pradesh alone uses 14% - more than the top three qualifying states put together - but its power is cheap at ₹6.31, so the payback takes longer. This is the **Affordability Effect** at its sharpest: the subsidy is not helping small markets; it is what opens the largest ones. Of the 14,953 MW installed under PM Surya Ghar across these states, about 60% is in states below the line. Gujarat has the cheapest power of all and the most solar in the country. Installations, then, do not follow tariff - because the subsidy has already closed the gap that cheap power creates.[15] The line will keep moving. Tariffs rise 4-5% a year and system costs keep falling, so each year brings more states closer to it. West Bengal and Madhya Pradesh are nearest today, and the pool of states that work on their own will keep growing.

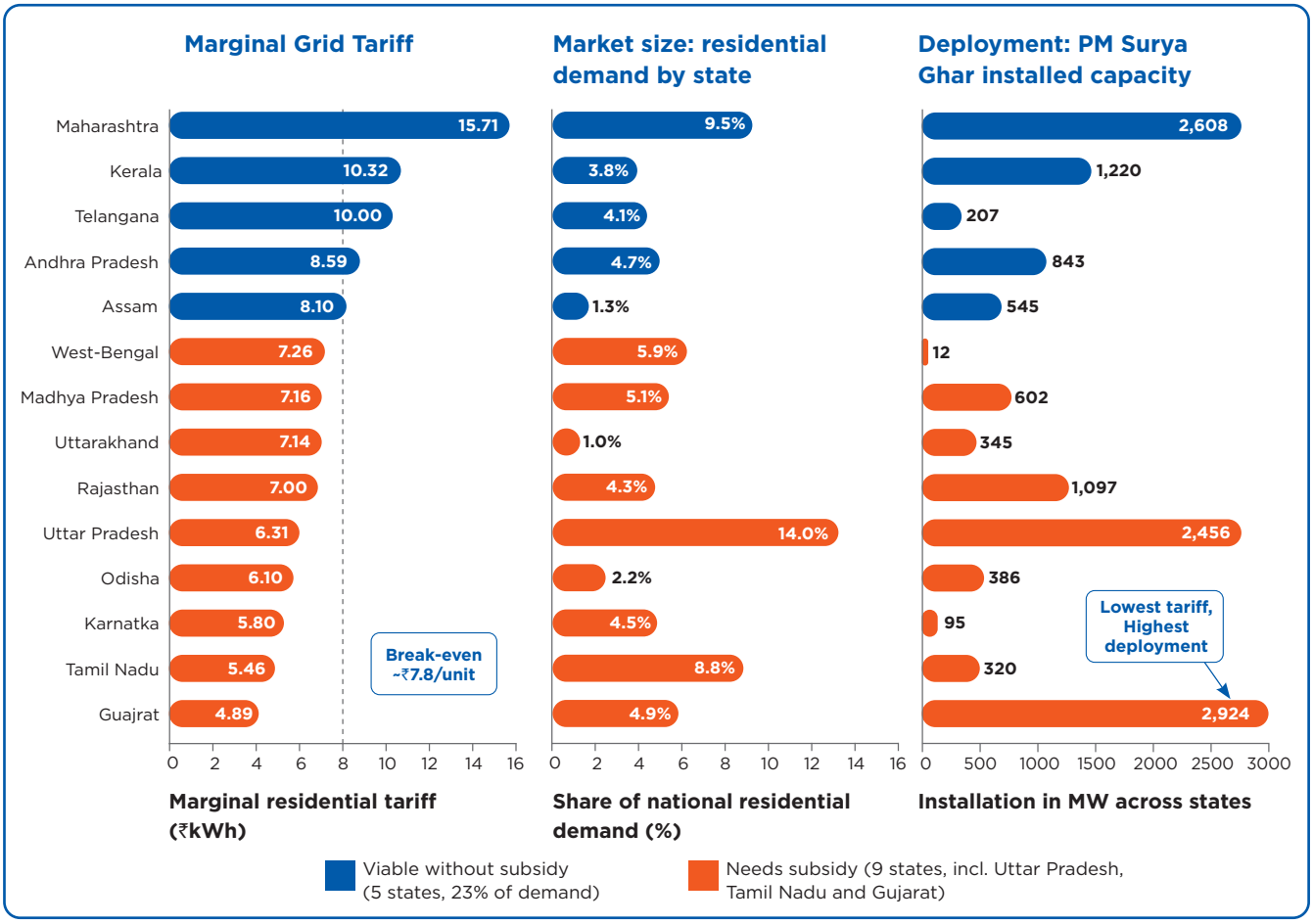


Figure 5: The Affordability Effect - High-Tariff States Pay Off; the Biggest Markets Need the Subsidy

Sources: *State SERC tariff orders (FY2025-27); CEA General Review 2025, Table 9.3; MNRE Solar Rooftop Portal (as on 5 Aug. 2026)*

[15] Deployment analysis: ISMA analysis of State-wise PM Surya Ghar installed capacity, MNRE National Portal for Rooftop Solar, as on 5 August 2026. Of 14,953 MW installed nationally under the scheme, approximately 8,972 MW (60%) lies in States whose marginal residential tariff is below the ₹7.8/unit viability threshold. Tariff trajectory of 4–5% per annum derived from successive SERC tariff orders FY2023-24 to FY2026-27 & BNEF; system cost trend reflects the reduction in GST on solar modules and cells to 5%.

7. DRIVERS AND CHALLENGES

Residential and commercial rooftop face different forces and are treated separately below. On the residential side, PM Surya Ghar Muft Bijli Yojana has transformed demand, but deployment now runs into grid-hosting and metering limits rather than a lack of appetite.

Residential

Drivers	Challenges
PM Surya Ghar as primary catalyst - Driving ~14.95 GW of residential rooftop solar capacity since launch	Limited consumer awareness and concerns around installation quality can slow adoption.
Utility-led aggregation - ~13 lakh solar units approved across 10 states and UTs.	Distribution-transformer hosting caps - most states cap rooftop system size at 80% of DT capacity; the binding ceiling in dense urban areas.
Group and virtual net metering expanding access for housing societies.	Punitive settlement rates for exported surplus suppress economics in some states.



8. WAY FORWARD

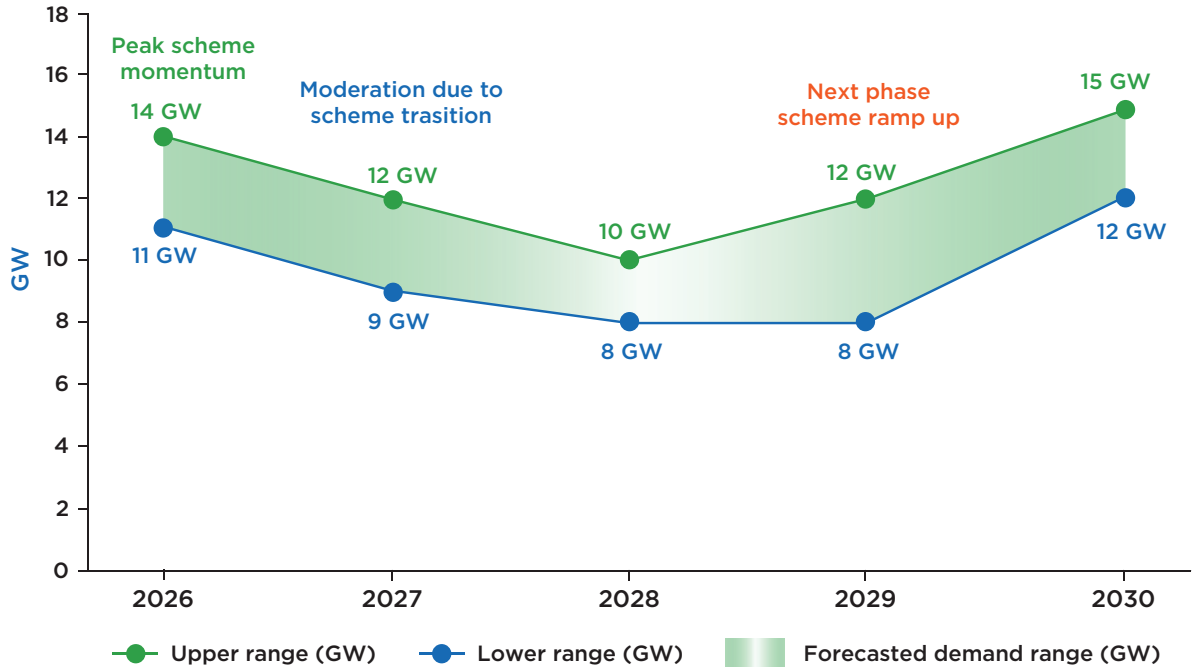


Figure 6: ISMA Analysis: Residential Rooftop Solar Forecasted Demand, 2026 – 2030

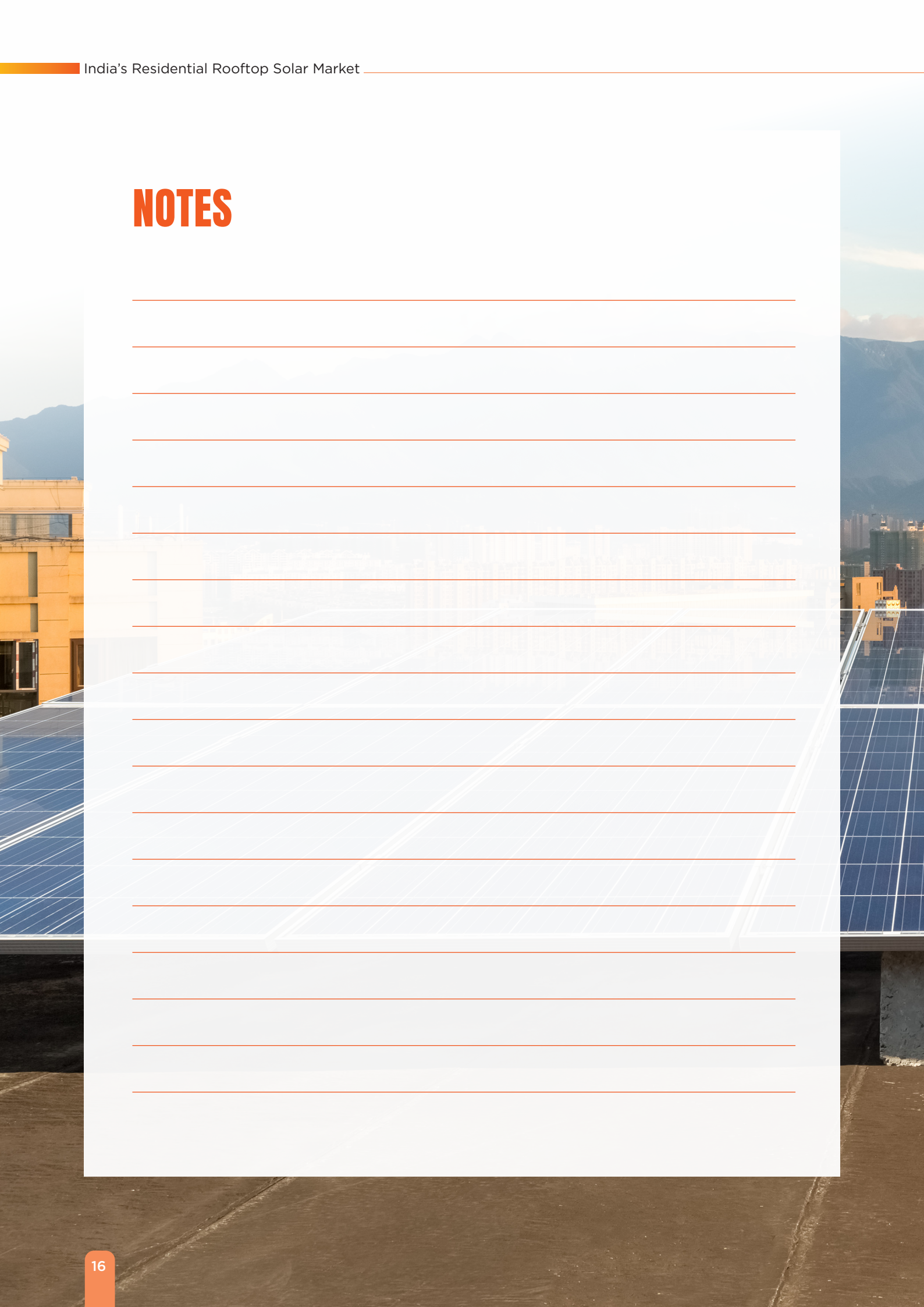
India's residential rooftop solar market has entered a phase of sustained scale-up. This assessment identifies a residential market potential of approximately **132 GW**, with nearly **115 GW** yet to be deployed. The priority now is to accelerate deployment through faster conversion of registrations into installations, timely subsidy disbursement, utility-led aggregation, wider adoption of group and virtual net metering, and targeted investments to address distribution transformer hosting constraints.

ISMA projects annual residential rooftop installations of **9 to 15 GW** between **2026 and 2030**, providing a stable demand pipeline for cells , modules, inverters and balance of system components. Together, strong policy execution and a predictable demand trajectory can establish residential rooftop solar as one of the most important drivers of India's solar manufacturing ecosystem over the coming decade.

Policy continuity will be critical to sustain this momentum beyond March 2027. PM Surya Ghar Muft Bijli Yojana has emerged as a key driver of residential rooftop adoption, while also supporting demand for domestically manufactured DCR modules, creating business opportunities across the rooftop solar value chain - including manufacturers, EPC companies, installers, system integrators and other service providers - and contributing to employment generation across the ecosystem. Any gap or uncertainty in policy support after the scheme ends could affect the pace of market growth, investment, capacity expansion and employment across the sector.

Providing early clarity on the policy framework beyond March 2027 and announcing the next phase of the programme, preferably by December 2026, will be important to maintain market continuity and investor confidence. A clear transition, including consideration of PM Surya Ghar 2.0, would provide the visibility needed for consumers and stakeholders across the rooftop solar ecosystem to plan investments, strengthen domestic supply chains and sustain the growth achieved under the current programme.

NOTES







ISMA
INDIAN SOLAR MANUFACTURERS ASSOCIATION

Office Address:
2nd Floor, We Work Eldeco Centre
New Delhi - 110017
Email: sg@isma.solar
www.isma.solar