



PM Surya Ghar: India's Solar Revolution

Muft Bijli Yojana Crosses Milestone of 10 Lakh Installations

(Ministry of New and Renewable Energy)

13th March, 2025

Introduction

PM Surya Ghar: Muft Bijli Yojana (PMSGMBY), the world's largest domestic rooftop solar initiative, has achieved a **historic milestone** with **10 lakh homes now solar-powered** as of **10th March 2025**. Launched by **Prime Minister Shri Narendra Modi on 13th February 2024**, this transformative scheme is rapidly reshaping India's energy landscape. With **47.3 lakh applications received**, the initiative has already disbursed **₹4,770 crore in subsidies** to **6.13 lakh beneficiaries**, making solar energy more accessible than ever. The scheme's **easy financing options**, including **collateral-free loans up to ₹2 lakh** at a **6.75% subsidized interest rate** through **12 Public Sector Banks**, have further accelerated adoption. So far, **3.10**

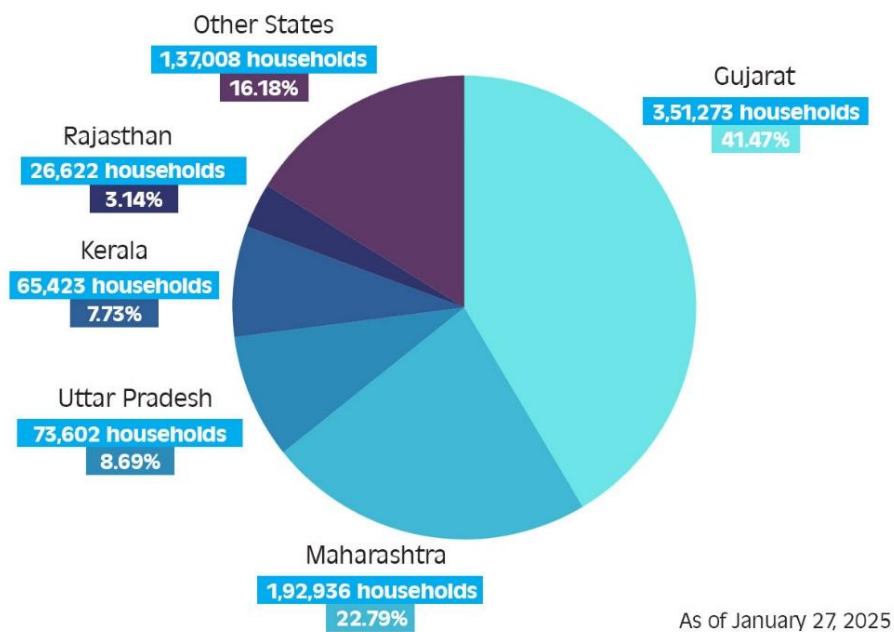


lakh loan applications have been received, with **1.58 lakh sanctioned** and **1.28 lakh disbursed**, ensuring financial inclusion for all. With a **seamless 15-day subsidy transfer process** and **zero electricity bills for many beneficiaries**, the scheme is not just powering homes but also empowering people. Every solar installation under PMSGMBY offsets **carbon emissions equal to planting 100 trees**, driving India towards a **cleaner, greener, and self-reliant future**.

Remarkable Progress Across Several States

The scheme has seen remarkable progress across several states. Notably, Chandigarh and Daman & Diu have achieved **100%** of their government building rooftop solar targets, leading the nation in clean energy adoption. States like Rajasthan, Maharashtra, Gujarat, and Tamil Nadu are also performing exceptionally well, contributing significantly to the overall installation figures. The Government is actively monitoring the progress across all states to ensure the smooth and timely execution of the scheme, with the goal of reaching 1 crore households by 2026-27.

Top 5 states with the highest number of households benefiting under the **PM Surya Ghar: Muft Bijli Yojana**.



Key Benefits

The PM Surya Ghar: Muft Bijli Yojana offers several significant benefits to participating households:

❖ **Free Electricity for Households:** The scheme provides households with free electricity through the installation of subsidized rooftop solar panels, significantly reducing their energy costs.

❖ **Reduced Electricity Costs for the Government:** By promoting the widespread use of solar power, the scheme is expected to save the government an estimated ₹75,000 crore annually in electricity costs.

❖ **Increased Use of Renewable Energy:** The scheme encourages the adoption of renewable energy sources, contributing to a more sustainable and environmentally friendly energy mix in India.

❖ **Reduced Carbon Emissions:** The transition to solar energy under this scheme will help lower carbon emissions, supporting India's commitment to reducing its carbon footprint.

Subsidy Details

The subsidy provided under the scheme varies based on the household's average monthly electricity consumption and the corresponding suitable rooftop solar plant capacity:

Average Monthly Electricity Consumption (units)	Suitable Rooftop Solar Plant Capacity	Subsidy Support
0-150	1-2 kW	₹ 30,000/- to ₹ 60,000/-
150-300	2-3 kW	₹ 60,000/- to ₹ 78,000/-
> 300	Above 3 kW	₹ 78,000/-

Subsidy Application and Vendor Selection: Households can apply for the subsidy through the [National Portal](#), where they can also select a suitable vendor for installing rooftop solar. The National Portal will assist in decision-making by providing information on appropriate system sizes, a benefits calculator, vendor ratings, and other relevant details. With all credentials entered correctly on the National Portal, the average time taken in processing the CFA is around 15 days after redemption request made by the consumer.

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Free electricity for households.



Reduced **electricity costs** for the government.



Increased use of **renewable energy**.



Reduced **carbon emissions**.



Collateral-Free Loans: Households will have access to collateral-free, low-interest loans at around 7% interest for the installation of residential rooftop solar (RTS) systems up to 3 kW.

Eligibility

The household must be an Indian citizen.

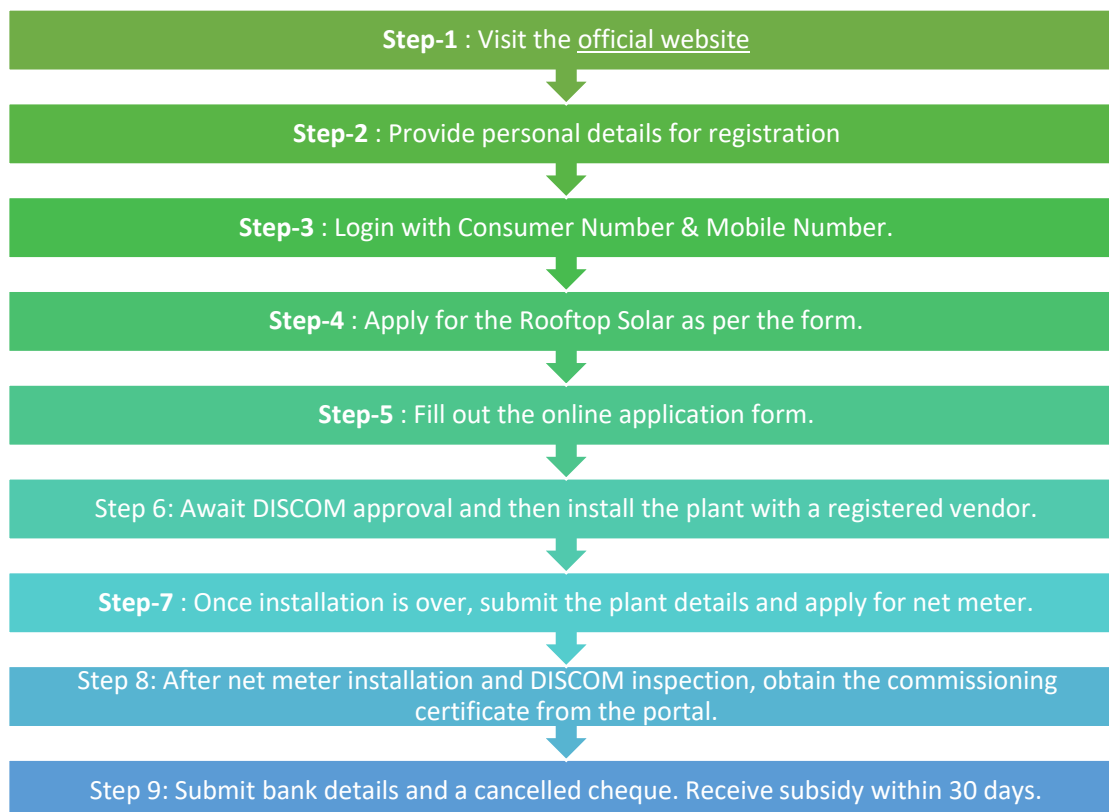
The household must own a house with a roof that is suitable for installing solar panels.

The household must have a valid electricity connection.

The household must not have availed any other subsidy for solar panels.

Application Process

The application process involves following nine specific steps to ensure a smooth and efficient submission and approval of solar panel installation.



Impact

The PM Surya Ghar: Muft Bijli Yojana is expected to have far-reaching outcomes, both for individual households and the nation as a whole:

- ❖ **Household Savings and Income Generation:** Households will benefit from significant savings on their electricity bills. Additionally, they will have the opportunity to earn extra income by selling surplus power generated by their rooftop solar systems to DISCOMs. For instance, a 3-kW system can generate over 300 units per month on average, providing a reliable source of energy and potential revenue.
- ❖ **Expansion of Solar Capacity:** The scheme is projected to add 30 GW of solar capacity through rooftop installations in the residential sector, significantly contributing to India's renewable energy goals.
- ❖ **Environmental Benefits:** Over the 25-year lifetime of these rooftop systems, it is estimated that the scheme will generate 1000 BUs of electricity while reducing CO2 emissions by 720 million tonnes, making a substantial positive impact on the environment.
- ❖ **Job Creation:** The scheme is also expected to create approximately 17 lakh direct jobs across various sectors, including manufacturing, logistics, supply chain, sales, installation, operations and maintenance (O&M), and other services, thereby boosting employment and economic growth in the country.

Under the leadership of Prime Minister Shri Narendra Modi, aligned with the Aatmanirbhar Bharat initiative, the PM Surya Ghar: Muft Bijli Yojana supports domestic manufacturing by mandating the use of solar modules and cells produced in India. As of 10th March 2025, the scheme has facilitated the installation of over 3 GW of rooftop solar capacity, with an additional 27 GW targeted by March 2027. This initiative is also driving the local production of inverters and Balance of Plant (BoP) components, further strengthening India's renewable energy ecosystem and enhancing the Make in India vision.

Model Solar Village

Under the "**Model Solar Village**" component of the scheme, the focus is on establishing one Model Solar Village per district throughout India. This initiative aims to promote solar energy adoption and empower village communities to achieve energy self-reliance. An allocation of ₹800 crore has been designated for this component, with ₹1 crore provided to each selected Model Solar Village.

To qualify as a candidate village, it must be a revenue village with a population of over 5,000 (or 2,000 in special category states). Villages are selected through a competitive process, evaluated on their overall distributed renewable energy (RE) capacity six months after being identified by the District Level Committee (DLC).

The village in each district with the highest RE capacity will receive a central financial assistance grant of ₹1 crore. The State/UT Renewable Energy Development Agency, under the supervision of the DLC, will oversee the implementation, ensuring these model villages successfully transition to solar energy and set a benchmark for others across the country.

Conclusion

The **PM Surya Ghar: Muft Bijli Yojana** stands as a transformative initiative in India's renewable energy journey, making solar power accessible, affordable, and impactful for millions of households. With **10 lakh installations already completed**, the scheme is well on track to achieve its ambitious goal of **1 crore solar-powered homes**. By offering substantial subsidies, easy financing options, and a streamlined digital application process, the program ensures that households across urban and rural India can transition to clean energy with minimal financial burden. Beyond reducing electricity costs, the scheme is fostering **energy self-reliance, environmental sustainability, and economic growth**, making it a key pillar in India's clean energy transition.

References:

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