Early Warning System

ADB-59288-001

Accelerating Affordable and Inclusive Rooftop Solar Systems Development Program

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Quick Facts

Countries	India
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	B
Voting Date	2025-11-27
Borrower	Government of India
Sectors	Energy, Law and Government
Investment Type(s)	Advisory Services, Loan
Investment Amount (USD)	$ 653.00 million
Loan Amount (USD)	$ 650.00 million

Project Description

As stated by the ADB, the Asian Development Bank (ADB) has approved a $650 million policy-based loan to help the Government of India accelerate rooftop solar adoption and expand access to clean, affordable energy for 10 million households by 2027.

The financing under Subprogram 1 of the Accelerating Affordable and Inclusive Rooftop Solar Systems Development Program will support the government's flagship initiative—*Pradhan Mantri Surya Ghar: Muft Bijli Yojana (PMSGMBY)*—which aims to make rooftop solar systems widely accessible nationwide.

PMSGMBY will provide financial assistance to residential consumers for installing rooftop solar systems of up to 3 kilowatts (kW), with a 60% subsidy for systems up to 2 kW and a 40% subsidy for additional capacity between 2 kW and 3 kW.

Key reform areas under the program include developing uniform operational guidelines and quality standards for residential rooftop solar systems and facilitating mass adoption among low- and middle-income households through collateral-free, low-interest loans. Aligned with India's Nationally Determined Contribution targets, the program will enhance the skills and capacity of at least 5,000 personnel, including 1,500 women. It will also support the development of utility-led aggregation models and model solar villages, and foster a robust vendor ecosystem.

ADB's intervention is expected to significantly contribute to the nationwide objective of installing 30 gigawatts of rooftop solar capacity, achieving annual reductions of 28.8 million tons of CO_2 emissions, and delivering affordable solar energy to millions of households. It will also catalyze private sector investment to create opportunities for manufacturers, vendors, and service providers across the renewable energy value chain.

ADB's financing for the program includes $3 million in technical assistance to help implement reforms, build institutional capacity, and promote gender-inclusive participation in the rooftop solar sector.

Early Warning System Project Analysis

The ADB categorized the project E&S risks as follows:

Environment - B
Involuntary Resettlement - C
Indigenous Peoples - C

Investment Description

- Asian Development Bank (ADB)

Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.adb.org/forms/request-information-form

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: https://www.adb.org/site/disclosure/appeals

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: http://www.adb.org/site/accountability-mechanism/main.

Bank Documents

- Concept Note
- Loan Agreement (Ordinary Operations) for Loan 4703-IND: Accelerating Affordable and Inclusive Roofto
- Program Agreement for Loan 4703-IND: Accelerating Affordable and Inclusive Rooftop Solar Systems Dev
- Report and Recommendation of the President
- Technical Assistance Report

Other Related Projects

- ADB-60246-001 Accelerating Affordable and Inclusive Rooftop Solar Systems Development Program (Subprogram 2)