



Cabinet approves PM-Surya Ghar: Muft Bijli Yojana for installing rooftop solar in One Crore households

Households to get 300 units of electricity free every month

Posted On: 29 FEB 2024 3:40PM by PIB Delhi

The Union Cabinet, chaired by the Prime Minister Shri Narendra Modi, has approved **PM-Surya Ghar: Muft Bijli Yojana** with a total outlay of Rs.75,021 crore for installing rooftop solar and providing free electricity up to 300 units every month for One Crore households. The Prime Minister had launched the scheme on 13th February, 2024.

The major highlights of the scheme include:

Central Financial Assistance (CFA) for Residential Rooftop Solar

- i. The scheme provides a CFA of 60% of system cost for 2 kW systems and 40% of additional system cost for systems between 2 to 3 kW capacity. The CFA will be capped at 3 kW. At current benchmark prices, this will mean Rs 30,000 subsidy for 1 kW system, Rs 60,000 for 2 kW systems and Rs 78,000 for 3 kW systems or higher.
- ii. The households will apply for subsidy through the National Portal and will be able to select a suitable vendor for installing rooftop solar. The National Portal will assist the households in their decision-making process by providing relevant information such as appropriate system sizes, benefits calculator, vendor rating etc.
- iii. Households will be able to access collateral-free low-interest loan products of around 7% at present for installation of residential RTS systems up to 3 kW.

Other Features of the Scheme

- i. A Model Solar Village will be developed in each district of the country to act as a role model for adoption of rooftop solar in rural areas,
- ii. Urban Local Bodies and Panchayati Raj Institutions shall also benefit from incentives for promoting RTS installations in their areas.
- iii. The scheme provides a component for payment security for renewable energy service company (RESCO) based models as well as a fund for innovative projects in RTS.

Outcome and Impact



Through this scheme, the households will be able to save electricity bills as well as earn additional income through sale of surplus power to DISCOMs. A 3 kW system will be able to generate more than 300 units a month on an average for a household.



The proposed scheme will result in addition of 30 GW of solar capacity through rooftop solar in the residential sector, generating 1000 BUs of electricity and resulting in reduction of 720 million tonnes of CO₂ equivalent emissions over the 25-year lifetime of rooftop systems.



It is estimated that the scheme will create around 17 lakh direct jobs in manufacturing, logistics, supply chain, sales, installation, O&M and other services.



Availing Benefits of PM-Surya Ghar: Muft Bijli Yojana



The Government has launched a massive campaign since the launch of the scheme for raising awareness and generating applications from interested households. Households can register themselves on <https://pmsuryaghar.gov.in> to avail benefits under the scheme.

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(Release ID: 2010133) Visitor Counter : 4188

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