



Abstract

Energy Department – Budget Announcement 2026-27-Introduction of new 'Rooftop Solar Subsidy Scheme' in convergence with Pradhan Mantri Surya Ghar: Muft Bijli Yojana -State Subsidy support for domestic consumers – Approved – Orders - Issued.

Energy (E1) Department

G.O.(Ms) No.102

Dated:19.09.2026

பராபவ வருடம், புரட்டாசி 2,
திருவள்ளூர் ஆண்டு 2057

Read:

1. Hon'ble Finance Minister's Budget Speech on 05.08.2026 (Paragraph 98).
2. From the Chairman, Tamil Nadu Green Energy Corporation Limited Lr. No. CE/NCES/SE/SP/EE/SP/AEE2/F. RTS Subsidy/ D.1030/ 2026, dated 29.08.2026.

ORDER:

During the Budget Session 2026-27, the Hon'ble Minister (Finance, Planning and Development) has made the following Announcement: -

"The Government is actively implementing its energy strategy with a focus on renewable energy. A new 'Rooftop Solar Subsidy Scheme' will be introduced in convergence with the 'Pradhan Mantri Surya Ghar Muft Bijli Yojana'. Under this scheme, a subsidy of up to Rs.1 lakh will be provided to domestic consumers for installing solar panels, significantly reducing their electricity bills and supporting the transition to renewable energy. An amount of Rs.50 crore is allocated to implement this scheme. A system for installing smart meters will also be introduced for all consumers in Chennai city, as well as for 50 lakh industrial and commercial consumers across other parts of the State".

2. In the letter 2nd read above, the Chairman, Tamil Nadu Green Energy Corporation Limited has sent a proposal to facilitate installation of '1 Lakh rooftop Solar Systems' across Tamil Nadu in the premises of domestic consumers by 31.03.2027 for which the State subsidy can be

extended to eligible domestic consumers, subject to successful installation, commissioning and verification of rooftop solar systems, until the benefit is availed by 1 lakh consumers. He has stated that this subsidy will be an additional subsidy over and above the Central Financial Assistance available under the Pradhan Mantri Surya Ghar: Muft Bijli Yojana and designed the structure of the proposed State subsidy as follows:

Sl. No.	Rooftop Solar Capacity	Proposed State Subsidy
1	Up to 1 kW	Rs.5,000
2	Up to 2 kW	Rs.10,000
3	3 kW and above	Rs.22,000

3. In order to ensure effective implementation of the Scheme, consumer facilitation, monitoring, subsidy disbursement and submission of scheme-related reports the Chairman, Tamil Nadu Green Energy Corporation Limited has proposed the following roles and responsibilities:

i) Tamil Nadu Green Energy Corporation Limited (TNGECL):

TNGECL may act as the nodal agency for coordination of Government communications between the Government of India and the Government of Tamil Nadu, monitoring of the Scheme and review of the progress of RTS installations under the Scheme.

ii) Tamil Nadu Energy Development Agency (TEDA):

TEDA may be designated as the Programme Management Agency (PMA) for execution of the proposed State Rooftop Solar Subsidy Scheme. TEDA has earlier handled State subsidy disbursement under the Capital Investment Subsidy Scheme and has the requisite experience in processing beneficiary-related details.

4. The Chairman, Tamil Nadu Green Energy Corporation Limited has also suggested to utilize the services of Tamil Nadu Energy Development Agency (TEDA) for facilitating the transfer/export of beneficiary credentials and other required details, as TEDA is already having the necessary Integrated Financial and Human Resources Management System (IFHRMS) credentials. TEDA will upload the beneficiary domestic consumer details through IFHRMS credentials and Government of Tamil Nadu to initiate subsidy payment to the consumer by DBT mode in coordination with TEDA. Further, he has suggested to provide access to the TNGECL in the concerned portal for tracking and viewing beneficiary details, subsidy eligibility, subsidy sanctioned and subsidy disbursed, thereby facilitating effective monitoring and avoiding

duplication of subsidy claims, and to address consumer grievances if any.

5. The Chairman, Tamil Nadu Green Energy Corporation Limited has therefore requested the Government to accord approval and issue necessary Government Order for introduction and implementation of the Rooftop Solar Subsidy Scheme to domestic consumers in convergence with the Pradhan Mantri Surya Ghar: Muft Bijli Yojana as follows:

- (i)** Sanction and disbursement of State subsidy to 1 Lakh consumers (Registered from 05.08.2026 in PM Surya Ghar portal), on receipt of consumer data from Ministry of New and Renewable Energy (MNRE).
- (ii)** Sanction of Rs.50 Crore for implementing the aforesaid scheme and release of funds based on actual subsidy requirement.
- (iii)** Designation of TNGECL as the nodal agency for coordination, monitoring and review.
- (iv)** Utilisation of the services of TEDA as Programme Management Agency, pending merger of TEDA with TNGECL.
- (v)** Utilisation of TEDA's IFHRMS-related infrastructure/ credentials to upload the Consumer data received in the IFHRMS portal and State Government to release the subsidy to the consumer by DBT mode in co-ordination with TEDA.
- (vi)** To provide access to TNGECL portal for tracking beneficiary details and status of State subsidy disbursement by the Government of Tamil Nadu.

6. The Government after careful examination of the proposal of the Chairman, Tamil Nadu Green Energy Corporation Limited have decided to accept the same and accord sanction for the following

- (i)** Sanction and disbursement of State subsidy to 1 Lakh consumers (Registered from 05.08.2026 in PM Surya Ghar portal), on receipt of consumer data from Ministry of New and Renewable Energy (MNRE).
- (ii)** Sanction of Rs.50 Crore (Rupees Fifty Crore Only) for implementing the aforesaid scheme and release of funds based on actual subsidy requirement.
- (iii)** Designation of TNGECL as the nodal agency for coordination, monitoring and review.
- (iv)** Utilisation of the services of TEDA as Programme Management Agency, pending merger of TEDA with TNGECL.
- (v)** Utilisation of TEDA's IFHRMS-related infrastructure/ credentials to upload the Consumer data received in the IFHRMS portal and

State Government to release the subsidy to the consumer by DBT mode in co-ordination with TEDA.

7. Necessary fund of Rs. 50,00,00,000/- have been provided in R.B.E 2026-2027, under the new Head of account opened under the Demand No. 14-02.

8. The Expenditure sanctioned at the para 6 above shall be debited to the following new Head of Account created under Demand No. 14-02:-

"2810-00 NEW AND RENEWABLE ENERGY. 105 - Supporting Programme - State's Expenditure - AA Installation of Household Rooftop Solar Subsidy Scheme - 309 Grants-in-aid - 03 Grants for Specific Schemes"

(IFHRMS DP Code 2810 00 105 AA 30903)

9. The Chairman, Tamil Nadu Green Energy Corporation Limited is directed to implement the scheme in full swing and cover as many beneficiaries as possible of all classes. If additional State Government component is required, it may be included later, depending on the progress of the scheme.

10. The Chief Electrical Inspector is the Estimating, Reconciling and Controlling Authority for the new head of account opened as at para 8 above.

11. This order issues with the concurrence of Finance Department vide its e.file No.5886/Infra-II/2026 dated:19.09.2026.

(By Order of the Governor)

**ANIL MESHRAM,
PRINCIPAL SECRETARY TO GOVERNMENT.**

To

The Chairman,
Tamil Nadu Green Energy Corporation Limited,
Chennai - 2.
The Managing Director,
Tamil Nadu Green Energy Corporation Limited,
Chennai - 2.

Copy to:

Office of the Hon'ble Chief Minister, Chennai - 9. (C.No.5886/E1/2026)
The Additional Special Personal Assistant to Hon'ble Minister
(Energy Resources & Law), Chennai-9.

The Special Personal Assistant to Hon'ble Minister
(Finance, Planning and Development), Chennai – 9.
The Senior Principal Private Secretary to
Chief Secretary to Government, Chennai -9.
The Senior Principal Private Secretary to
Additional Chief Secretary to Government,
Finance Department, Chennai -9.
The Senior Private Secretary to
Principal Secretary to Government,
Energy Department, Chennai – 9.
The Finance (Infra-II) Department, Chennai -9.
SF/SC.

//Forwarded / By Order//

Ambarish
19.09.2026
Section Officer.

