



Ref: - REAR/2024/0135

31st Jan 2025

Ajay Yadav
President

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Vice President

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Jt. Secretary (SRAM)

Surendra Chaudhary
Jt Secretary (Media)

Vipin Bansal
Jt. Secretary (PR)

To,

The Secretary,

Ministry of New and Renewable Energy (MNRE),

Atal Akshaya Urja Bhawan,

CGO Complex, Lodhi Road, New Delhi – 110003

Subject: Urgent Need to Revise Benchmark Costs Under PM Surya Ghar Yojana

Respected Mam,

I am writing to bring to your attention a critical issue affecting vendors and consumers under the **PM Surya Ghar Yojana**—the **sharp increase in the prices of Domestic Content Requirement (DCR) solar modules** and the **lack of revision in benchmark costs**. This issue is causing financial distress for vendors and increasing the burden on consumers, ultimately slowing down the adoption of rooftop solar installations across the country.

As per the **Operational Guidelines dated 07.06.2024**, the subsidy for rooftop solar systems is calculated as a percentage of the **benchmark price**, which was last revised on **13th February 2024**. Currently, the benchmark cost is set at **₹50,000 per kW for the first 2 kW** and **₹45,000 per kW for additional capacity beyond 2 kW**, resulting in a **maximum subsidy of ₹78,000 for a 3 kW system**. The **actual market price for a 3 kW rooftop solar system has now risen to approximately ₹1,80,000**, while MNRE's benchmark price remains **₹1,45,000**. This creates a **gap of ₹35,000**, which either **forces vendors to operate at a loss** or **results in consumers losing ₹20,000 in potential subsidy benefits**. Moreover, market prices are currently **20-25% higher than MNRE's estimates**, further widening the financial gap. In the last six months, the cost of DCR modules and other system components has significantly increased, making these benchmark prices outdated and unviable.

Clause **5(j) of the PM Surya Ghar Yojana guidelines** provides for the **revision of benchmark costs** during the midterm review or earlier in case of **significant price fluctuations**. Despite persistent price hikes in DCR modules and repeated concerns raised by stakeholders, there has been **no revision in the benchmark price**. This discrepancy has led to confusion among consumers and financial strain on vendors, ultimately impacting the overall implementation of the scheme.

Given the urgency of the situation, we request MNRE to take immediate action by either **revising the benchmark costs to reflect actual market conditions** or **introducing measures to control the rising prices of DCR modules**. Additionally, we urge MNRE to

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ensure **greater transparency in the calculation of benchmark prices**, allowing stakeholders to understand the methodology used in determining these rates.

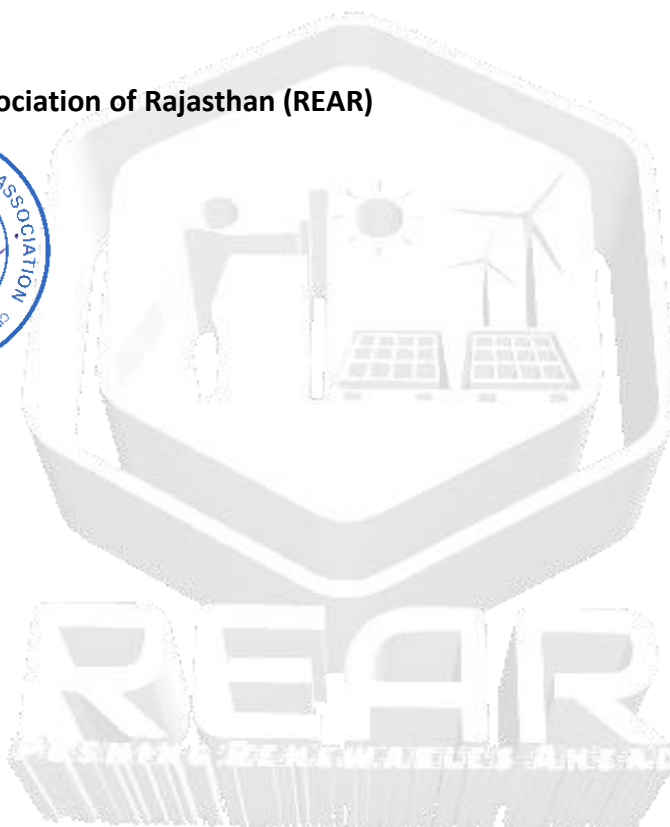
The **PM Surya Ghar Yojana** is a landmark initiative that has the potential to accelerate India's transition towards clean energy. However, without addressing the issue of **benchmark cost mismatches and rising module prices**, the success of the scheme is at risk. We request MNRE to initiate a prompt review and revision process to safeguard the interests of consumers, vendors, and the solar industry at large.

We look forward to your response and a swift resolution to this pressing issue.

Yours sincerely,

For **Renewable Energy Association of Rajasthan (REAR)**

Ajay Yadav
(President)



CC:-

- Hon'ble Cabinet Minister (New & Renewable Energy)
- Hon'ble Minister of State (New & Renewable Energy)
- Additional Secretary, MNRE
- Joint Secretary, MNRE
- CMD, REC Ltd
- Sr. Chief Project Manager, REC, Jaipur
- Chairman, Rajasthan Discoms