

Renewable Energy Association of Rajasthan(REAR®)

Add: - G-6, Agroha Heritage, Central Spine, Vidhyadhar Nagar-302012

E-mail:- info@rear.org.in / rearindiaa@gmail.com

Mob: - 8299519741/9958582628

Visit us: - www.rear.org.in

Ref: - REAR/2024/0168

30th May 2025

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To

The Secretary,
Ministry of New and Renewable Energy (MNRE)
Atal Akshay Urja Bhawan
Block-14, CGO Complex, Lodhi Road
New Delhi - 110003

Subject: Request for Separate Clarification and Relief for Rooftop Solar & Net-Metering Projects under Office Memorandum No. 283/63/2025-GRID SOLAR dated 25.05.2026 regarding ALMM List-II Implementation

Respected Sir,

We respectfully submit this representation regarding the **Office Memorandum No. 283/63/2025-GRID SOLAR dated 25.05.2026** concerning the implementation of ALMM List-II from 01.06.2026.

At the outset, we appreciate the efforts of the Ministry towards strengthening domestic solar manufacturing and ensuring long-term growth of India's renewable energy sector. We fully support the vision of achieving self-reliance in solar manufacturing and reducing dependence on imports.

However, after carefully studying the above-mentioned Office Memorandum, it appears that the provisions, exemptions, and implementation **modalities have been framed primarily considering utility-scale renewable energy projects, large solar power developers, and high-capacity installations.** Unfortunately, the Memorandum does not specifically address the unique nature and practical challenges of the Rooftop Solar and Net-Metering sector.

The rooftop solar ecosystem in India is fundamentally different from utility-scale solar projects. While utility-scale projects may involve a limited number of developers with large capacities and investments, the rooftop solar segment consists of lakhs of individual consumers, MSMEs, commercial establishments, industries, institutions, and government consumers spread across the country.

Today, **more than 50,000 rooftop solar vendors, EPC companies, channel partners, startups, and MSMEs are actively engaged in the rooftop solar sector.** Together, they have executed and are currently **handling lakhs of rooftop solar projects under various net-metering** and distributed generation programs.

We respectfully submit that while assessing the impact of any policy decision, consideration should extend beyond project capacity (MW) and investment value (USD) to include the number of projects affected, consumers impacted, MSMEs and startups involved, employment generated, financial exposure of

small vendors, and the potential impact on consumer confidence and future rooftop solar adoption.

Unlike utility-scale developers, rooftop solar consumers are ordinary citizens investing their hard-earned savings. Their objective is not commercial profit or power trading, but simply to reduce electricity bills and secure affordable electricity through Net Metering for the next 25–30 years.

Any significant increase in project cost due to mandatory migration from Non-DCR modules to DCR/ALMM-II compliant modules will directly impact project viability. Industry feedback suggests that **project costs may increase substantially, in some cases by 25% to 40%, depending on project size** and market conditions. Such a sharp increase can adversely affect residential consumers, commercial establishments, industries, schools, hospitals, and MSMEs who are considering rooftop solar installations.

Further, **rooftop solar vendors generally operate with limited working capital and thin profit margins.** Unlike large renewable energy developers, **most rooftop EPC companies are MSMEs and startups with limited financial resources.** Any sudden change in procurement requirements, inventory eligibility, or compliance conditions can **result in stranded inventory, cancelled projects, blocked working capital, and severe financial losses.**

We also wish to respectfully draw attention to the fact that the exemption categories mentioned in the Office Memorandum are not aligned with the practical realities of rooftop solar projects.

A significant number of rooftop projects—particularly **installations up to 100 kW (and in some states up to 500 kW)—do not require CEIG approval under prevailing regulations.** Consequently, it becomes practically impossible for many rooftop consumers and vendors to establish eligibility under exemption criteria linked to approvals that are generally applicable to larger projects and the most effected projects ranges from 3KW- 100 KW.

As a result, a substantial portion of the rooftop solar market remains uncertain regarding project eligibility, compliance requirements, and transition provisions.

The Office Memorandum further states that:

"MNRE had engaged with the industry representatives, including those from among the solar PV manufacturers as well as those from among the solar power developers, on the said subject matter."

It also mentions that:

"Overall, there is a broad consensus that policy stability shall be maintained to ensure long-term investor confidence in the solar PV manufacturing sector."

With utmost respect, **we submit that the rooftop solar ecosystem constitutes a distinct stakeholder group whose concerns appear not to have been specifically addressed.** Had a detailed consultation been undertaken with rooftop EPC companies, net-metering installers, MSMEs, startups, and consumer groups, the feedback would likely have highlighted the need

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for a reasonable transition period, practical implementation mechanisms, and dedicated provisions for rooftop solar projects and **even the large RE project developers and Modules manufacturer would also seek at least 6 months blanket extension.**

The Memorandum further states that the decision has been taken in the "**larger public interest.**" We respectfully submit that the **largest public interface of India's solar sector is the rooftop solar segment, which directly serves lakhs of households, small businesses, institutions, and industries.** Therefore, the concerns of this segment deserve specific recognition and dedicated consideration.

In view of the above, we humbly request the Ministry to:

- Issue a separate clarification or dedicated Office Memorandum specifically addressing Rooftop Solar and Net-Metering projects.
- Clearly define the applicability of ALMM List-II requirements for residential, commercial, industrial, institutional, and government rooftop solar projects.
- Consider a practical transition mechanism and reasonable relief for rooftop projects that are at various stages of execution.
- Evaluate the financial impact on consumers, MSMEs, startups, and small EPC companies before implementation.
- Ensure that the objective of promoting domestic manufacturing is balanced with the continued growth of rooftop solar adoption and achievement of national renewable energy targets.

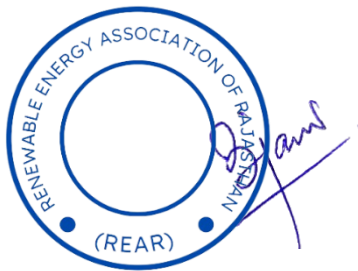
India's rooftop solar movement has been built through the collective efforts of consumers, entrepreneurs, startups, EPC companies, and policymakers. We believe that domestic manufacturing promotion and rooftop solar growth can progress together through a balanced and practical implementation framework.

We therefore request the Ministry to kindly issue a separate clarification for Rooftop Solar and Net-Metering projects at the earliest so that uncertainty among consumers, vendors, DISCOMs, financial institutions, and other stakeholders may be avoided.

We shall be grateful for your kind consideration and intervention in this matter.

Yours sincerely,

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



Ajay Yadav
(President)