

**No.: 318/52/2023-Grid Connected Rooftop  
Ministry of New and Renewable Energy  
Government of India**

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**Atal Akshay Urja Bhawan  
Lodhi Road, New Delhi-110003  
Dated: 24. 07.2024**

**Office Memorandum**

**Subject: Framework for Vendor Rating Programme under PM-Surya Ghar: Muft Bijli Yojana.**

The Government of India has approved the PM-Surya Ghar: Muft Bijli Yojana on 29<sup>th</sup> February 2024, aimed at installing rooftop solar plants in one crore households, with a total financial outlay of Rs. 75,021 crore.

2. The administrative approval was granted to the scheme vide order No. 318/17/2024- Grid Connected Rooftop dated 16<sup>th</sup> March 2024. The Framework for Vendor Rating Programme under PM-Surya Ghar: Muft Bijli Yojana is enclosed.
3. This issues with the approval of competent authority.

  
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To

1. ACS/Principal Secretaries/Secretaries (Renewable Energy/Energy/Power) of all States/ UTs
2. CMDs/MDs of Discoms/State Nodal Agencies of all States/UTs

**Copy for information to:**

1. PS to Hon'ble Minister of New & Renewable Energy
2. PS to Hon'ble Minister of State of New and Renewable Energy
3. PPS to Secretary/AS/JS/JS&FA, MNRE
4. All Advisers & Group Heads
5. Director (NIC) for uploading on Ministry's website

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# PM Surya Ghar: Muft Bijli Yojana

## Framework for Vendor Rating Programme

### 1. Background

- a. The Government of India has approved the PM Surya Ghar: Muft Bijli Yojana on 29<sup>th</sup> February, 2024 to increase the share of solar rooftop capacity and empower residential households to generate their own electricity. The scheme has an outlay of Rs 75,021 crore and is to be implemented till FY 2026-27. The administrative approval was granted to the scheme vide Order No. 318/17/2024-Grid Connected Rooftop dated 16<sup>th</sup> March, 2024.
- b. The scheme will be implemented by the National Programme Implementation Agency (NPIA) at the national level and the State Implementation Agencies (SIA) at the state level. Under the scheme, the residential consumers (including Residential Welfare Associations/Group Housing Societies) shall apply on the national portal, choose an appropriate Vendor from the list of Vendors registered on the portal and avail the subsidy after the installation and inspection of the rooftop solar system. In order for consumers to be eligible for CFA, the installation of rooftop solar plants have to be undertaken by Vendors who have been registered on the National Portal.
- c. Given the technical nature of the product, while the general awareness about RTS may be there, there is a need to enhance the ability on the part of the consumer to assess the Vendors in order to differentiate between them on the basis of their credibility and performance. Due to the unorganized nature of the Vendor ecosystem and lack of standardized ratings in the market, there is a need to create a framework for Vendor Rating under the scheme.

- d. Vendor Rating system is required to encourage better business and technical practices by registered Vendors so that they ensure engagement of qualified installers and adhere to industry best practices and ensure optimal performance, safety, and compliance. The ratings programme will give important market signals to consumers and encourage Vendors to install quality systems. This document establishes the framework for Vendor Rating for registered Vendors on the National Portal and the implementation mechanism for the same.

## **2. Scope**

- a. These guidelines will cover the evaluation process required for the operation of the Vendor Rating Programme (VRP).
- b. The VRP will be incorporated into the National Portal to provide strong signals for differentiating high performance Vendors for the consumers to make an informed choice. The Vendors that have been evaluated under the VRP will be given a verified symbol on the National Portal with the rating.
- c. Large Vendors who deploy significant rooftop solar facilities shall be evaluated and those who meet the criteria will be categorized as Champion Vendors.
- d. The financial expenditure for operation of Vendor Rating programme shall be incurred under the Capacity Building Component head of the PM-Surya Ghar: Muft Bijli Yojana.

## **3. Objectives**

The objectives of the Vendor Rating Programme are as follows:

- a. To lay down procedure to rate Rooftop Solar (RTS) Vendors on a variety of factors related to the quality and service as the central theme, and to ensure an objective and transparent methodology for Vendor Rating with clear criteria and processes.
- b. Allow consumers, developers and investors to compare and rank Vendors on the quality of workmanship/ procured components, installation practices and level of safety.

- c. Encouraging Vendors to raise their standards and offer better services and delivery of quality systems, and increase the accountability of vendor to ensure the optimum performance of the system

#### **4. Coverage**

- a. Under the present framework of the scheme, the Vendors have the option to register with the SIAs for state level registration and with the National Programme Implementation Agency (NPIA) for national and multi-state registration. The Vendors are registered on the National Portal by the State DISCOM in case of state based registration and by the NPIA for national and multi-state registration.
- b. All Vendors registered on the National Portal shall be covered under the Vendor Rating Programme.

#### **5. Categorization**

- a. The Vendor Rating shall be categorized on the basis of total number of eligible RTS installations undertaken by the Vendor through the National Portal. This will include all installations undertaken by a registered Vendor under the Grid Connected Rooftop Solar Phase II programme as well as installations undertaken under the PM Surya Ghar: Muft Bijli Yojana. In order to get a Vendor Rating, the Vendor should have installed at least 50 number of eligible RTS systems cumulatively.
- b. The rating methodology for each tier shall be a mix of consumer feedback, techno-financial assessment and quality assessment based on sample testing and inspection. When a Vendor becomes eligible for a particular Tier and wants to opt for the Vendor Rating Programme, it shall submit the requisite rating fees to the NPIA.
- c. There shall be a single Vendor Rating for a Vendor on the National Portal to be displayed on the Vendor profile as well as on the Vendor list on the portal. The detailed explanation of the Vendor Rating shall be provided to the consumer, including the scores in various components as well as scores that have been calculated at the state level (state level rating).

d. The rating categories shall be as follows:

S. No.	Category	Total Eligible Numbers of RTS System Installed in Residential sector through National Portal	Rating Methodology
1.	Tier I	More than 1500 RTS systems	<ul style="list-style-type: none"> <li>• Consumer Feedback on quality and service</li> <li>• Quality Assessment based sample testing and inspection</li> <li>• Techno-Financial Assessment</li> </ul>
2.	Tier II	More than 250 RTS systems and upto 1500 RTS systems	<ul style="list-style-type: none"> <li>• Consumer Feedback on quality and service</li> <li>• Quality Assessment based sample testing and inspection</li> <li>• Techno-Financial Assessment</li> </ul>
3.	Tier III	More than 50 and upto 250 RTS systems	<ul style="list-style-type: none"> <li>• Consumer Feedback on quality and service</li> </ul>

e. Tier I vendors who fulfill a 90 percentile rating in their tier shall be encouraged to become Champion Vendors that will provide Vendor ecosystem leadership through activities such as dedicated service channels, large IEC campaigns, running saturation mode campaigns etc.

## 6. Rating Methodology

### a. Consumer Feedback

- i. The consumer feedback for all installations under the scheme (not under Phase II Programme) shall be taken through the National Portal and the National Call Centre. This feedback will be based on multiple indicators of

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Vendor performance, quality service, time taken for the installation etc. The Call Center feedback shall also be taken after 2-6 months of installation when the consumer shall be asked to rate the Vendor experience for post-installation services.

- ii. Adequate weightage shall be provided for grievance redressal by the vendor. To score this, all grievances that have been raised against a particular vendor on the National Portal shall be assessed based on turn-around-time for resolution of raised issues and consumer feedback regarding the grievance redressal experience itself.
- iii. The simple average of ratings that are available on all these dimensions shall be considered the consumer feedback points for that particular installation. In case a particular indicator is not rated by the consumer, that indicator shall not be taken for calculation of the consumer feedback point. Similarly, if a consumer does not fill a feedback, it shall not be accounted for averaging the ratings for the Vendor.
- iv. The simple average of all consumer feedback points for a particular Vendor's installations on the National Portal under the Scheme shall be taken as Consumer Feedback Points under the Vendor Rating Program.

**b. Quality Assessment**

- i. For Quality Assessment, physical assessment shall be undertaken for 5% of the total sites installed by the registered Vendor for Tier II vendors and 2% of total sites installed for Tier I Vendors. The sites shall be selected for assessment through randomization method on the National Portal. At least 10% of these assessed sites shall be further evaluated by a Site Supervisory Assessor to ensure that the assessment has been made fairly and impartially.
- ii. The Quality Assessment Score for each assessed site shall be based on factors such as engineering compliance, compliance with relevant standards and best

practices, quality of installation, quality of materials, processes, and performance of system, safety standards, and post installation service..

- iii. The total Quality Assessment Score of the Vendor shall be the simple average of all assessment scores of its assessed sites.
- iv. The Assessment (including supervision) shall be carried out through an Approved System Assessor (ASA).

**c. Techno Financial Assessment (TFA)**

- i. TFA shall be undertaken for Vendors who have applied under Tier I and Tier II rating. The TFA shall be undertaken based on documents submitted by Vendors on a self-declaration mode. It shall be incumbent on the Vendors to upload correct information for TFA.
- ii. The TFA shall be based on:
  - 1. Technical Parameters: These include annual average installed capacity for the last three years, competency of manpower in rooftop solar, total capacity for which operations and maintenance services are provided and internal systems and processes of the Vendor.
  - 2. Financial Parameters: This will include assessment of average sales turnover and profit before tax and depreciation/sales in last three financial years, net worth, current ratio and debt equity ratio.
- d. The techno-financial assessment shall be carried out by the NPIA based on documentation uploaded by the Vendors on the Portal.
- e. The cumulative score/rating of Vendors shall be the simple average of the consumer feedback score the Quality Assessment Score and the techno-financial assessment. The sub-components of the Rating of a Vendor shall be displayed on the National Portal for the consumer's convenience.

## **7. Implementation**

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- a. The Vendors for Tier III rating category shall be considered automatically once they have reached the specified minimum number of installations. Vendors who do not reach this minimum number shall be considered unrated. For Tier II and Tier I vendors, a specific application will need to be made including submission of documentation for techno-financial rating through the National Portal. Such vendors who have reached the minimum number for Tier II or Tier I category shall continue to be categorized as Tier III or Tier II vendor until the rating process for the higher tier is completed after due application.
- b. The NPIA shall be completely responsible for Techno-Financial Assessment and Consumer Feedback Assessment and shall establish necessary infrastructure, assessment methodology and scrutiny processes for conducting the same. For Quality Assessment, the NPIA shall empanel Approved System Assessor (ASA) agencies.
- c. The site evaluations for Quality Assessment under the Vendor Rating Framework shall be undertaken only by Approved System Assessors (ASA). The State/UT Government may also designate any Renewable Energy Development Agency (REDA) under the state as the ASA. The NPIA may empanel additional ASA agencies for any State/UT or with multi-state or National jurisdiction through a transparent process as per requirement. The criterion for ASA empanelment, manpower and equipment is listed in Annex 1.
- d. The NPIA shall assist in comprehensive training of all ASAs, tailored to gain practical experience in using the tools and equipment required for rooftop solar assessment.
- e. The ASAs shall be on-boarded on the National Portal for the Vendor Rating Module. All activities of the ASA Site Assessors and Site Supervisory Assessors shall be mediated through an online app for site verification and uploading of necessary reports and documents.
- f. The National Portal shall assign site for assessment to the ASA through a randomization method. The Vendors shall upload the necessary site specific reports



- required for the site assessment on the portal itself. The Site Assessors of the ASA shall then visit the site, conduct the necessary quality assessment and upload the report with the Quality Assessment parameters. 10% of assessments made by the Site Assessors shall be re-verified by Site Supervisory Assessors under each ASA. The ASA can designate Site Assessors and Site Supervisory Assessors at their own level.
- g. The Vendor may raise any grievance to the NPIA regarding assigned ratings, and the NPIA shall consider and dispose of such grievance within 7 days.

## **8. Administrative Structure**

- a. The National Programme Implementation Agency (NPIA) shall be responsible for the implementation of the Vendor Rating Program. The NPIA shall establish a dedicated Project Management Unit for operations of the Vendor Rating Programme and develop Standard Operating Procedures for implementation of the framework.
- b. There shall be a Technical Committee constituted with the following composition
- i. Mission Director, MNRE, Chairperson
  - ii. Director, National Institute of Solar Energy (NISE)
  - iii. Representative of Quality Control Division, MNRE
  - iv. Representative of NPIA
- c. The Technical Committee shall lay down the detailed indicators for site based Quality Assessment and its relative weightages, methodology for selection of sites based on the framework laid down. The Technical committee may also include additional indicators into Quality Assessment and Techno-Financial Assessment, as per requirement.
- d. The committee may also invite additional members (official or non-official) to the Committee deliberations, as required.

## **9. Service Charge**

- a. The ASAs shall be paid an assessment fee as per the rate/methodology of determination decided by the Technical Committee from time to time.

b. This expenditure shall be met from the scheme component of Service Charges.

#### **10. Amendments**

a. MNRE may make necessary amendments in the framework for Vendor Rating Programme or issue any clarification to remove difficulties in the implementation of the programme, as and when required, with the approval of Secretary, New and Renewable Energy.

## **Annex 1: Approved System Assessor**

1. **The ASAs shall identify Site Assessors and Site Supervisory Assessors from their organization.**
2. REDAs may consider identifying Junior Engineers/JE equivalent personnel as Site Assessors and Site Supervisory Assessors and shall equip them with the tools/ instruments required for carrying out site assessment (such as Compass, Angle Measurement Tool, Clamp Meter, Torque Tester, Measuring Tape, Camera, Electrical Tester, Earth pit resistance tester, Handheld Irradiance Meter etc).
3. The REDAs shall, in coordination with NPIA, impart the necessary training to the Site Assessors and Site Supervisory Assessor in carrying out the assessment. In case of deficiencies in personnel available to conduct the site assessments, the REDAs may hire contractual manpower or identify Licensed Electrical Contractors who may conduct the site assessment on their behalf.
4. Empanelment of ASAs NPIA, shall be made with the following minimum criteria:
  - b. Registered firm with a minimum of 1 years in operation.
  - c. Working experience in rooftop solar domain for a minimum of 1 year.
  - d. Experience of carrying out assignments related to rooftop solar projects/ systems in any of the aspects such as feasibility assessment, DPR preparation, detailed engineering, techno-economic evaluation, lender's engineers, owner's engineers, and performance assessment.
  - e. Should have a minimum number of qualified inspectors in the team (either in permanent roles or associates) for carrying out site assessment. (The number to be fixed based on the level of requirement of NPIA)
  - f. Should have access to the tools/ instruments for carrying out site assessment (such as Compass, Angle Measurement Tool, Clamp Meter, Torque Tester, Measuring Tape, Camera, Electrical Tester, Earth pit resistance tester, Handheld Irradiance Meter)
  - g. Other conditions as decided by the NPIA.