

To  
The Secretary,  
Telangana Electricity Regulatory Commission (TGERC),  
5th Floor, Singareni Bhavan, Red Hills, Hyderabad – 500004.  
Subject: Objections to the proposed reduction of PM-KUSUM Component-A tariff from  
3.13/kWh to 2.98/kWh.

Respected Sir,  
I, Mutyala Lachanna, Solar Power Generator (SPG) under PM-KUSUM Component-A,  
respectfully submit the following objections to the proposal for reducing the tariff from  
3.13/kWh to 2.98/kWh.

My project details are:

- \* PPA No.: 141
- \* Capacity: 1 MW AC Solar Power Plant
- \* Village: Thimmapur
- \* Mandal: Jagtial
- \* District: Jagtial, Telangana
- \* Discom: TGNPDCL

#### Objections

##### 1. Tariff determined through a regulatory process

The tariff of 3.13/kWh was approved by the Hon'ble Commission and formed the basis for investment decisions, financial closure, and project execution. Any retrospective reduction would adversely affect the financial viability of projects already established based on the approved tariff.

##### 2. Significant increase in project costs

Since issuance of the PPA, project costs have substantially increased due to:

- \* Increase in solar module prices.
- \* Increase in copper, steel, aluminium, and electrical equipment costs.
- \* Supply-chain disruptions caused by international conflicts and global market conditions.
- \* Higher transportation and logistics expenses.
- \* Increased interest burden on project loans.

##### 3. GST reduction benefit does not represent total project cost

While GST on certain solar components has been reduced, overall project costs have increased substantially. The GST reduction alone does not offset the escalation in material, financing, and construction costs incurred by developers.

##### 4. Impact on bankability

Banks sanctioned loans based on the approved tariff of 3.13/kWh. Any reduction in tariff after project implementation may affect debt servicing capability and create financial stress for project developers.

##### 5. Legitimate expectation of investors

Developers invested crores of rupees relying on the tariff approved by the Commission. Revising the tariff downward after investments have been made would adversely impact investor confidence in renewable energy projects in Telangana.

##### 6. Request for continuation of existing tariff

Considering the increase in project costs and the commitments already undertaken by SPGs, the tariff of 3.13/kWh should be continued for all existing PPAs executed under PM-KUSUM Component-A.

##### 7. Alternative request

In view of the increased capital expenditure and financing costs, the Commission may also consider enhancement of tariff to 3.45/kWh for projects commissioned after substantial cost escalation, to ensure long-term viability of the PM-KUSUM scheme and protect investments made by farmers and developers.

Prayer

In view of the facts stated above, I humbly request the Hon'ble Commission to:

1. Reject the proposal for reduction of tariff from 3.13/kWh to 2.98/kWh for existing PM-KUSUM Component-A projects.
2. Continue the approved tariff of 3.13/kWh for all existing PPAs.
3. Consider the substantial increase in project costs and protect the financial viability of solar power generators.

Thanking you.

Yours faithfully,

(Mutyala Lachanna)

Solar Power Generator (SPG)

PPA No. 141

PM-KUSUM Component-A

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Date: 28-06-2026

Place: Jagtial